

Translation

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
SUMMARY OF FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED FEBRUARY 28, 2022

April 18, 2022

Name of issuer:	Japan Metropolitan Fund Investment Corporation ("JMF")
Stock exchange listing:	Tokyo Stock Exchange
Securities code:	8953
Website:	https://www.jmf-reit.com/english/
Representative of JMF:	Masahiko Nishida, Executive Director
Name of asset manager:	Mitsubishi Corp.-UBS Realty Inc.
Representative of the asset manager:	Katsuji Okamoto, President & CEO & Representative Director
Contact:	Keita Araki, Executive Director, Head of Metropolitan Business Division Tel: (03)5293-7081
Scheduled date for filing of securities report:	May 30, 2022
Scheduled date for distributions payment:	May 25, 2022
Supplementary materials for financial results:	Otherwise prepared
Analyst meeting:	Scheduled

(Amounts of less than one million yen are rounded down)

1. Financial results for the six months ended February 28, 2022 (September 1, 2021 to February 28, 2022)**(1) Operating results**

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the six months ended								
February 28, 2022	40,598	0.6	18,808	20.9	16,924	24.9	16,924	24.9
August 31, 2021	40,360	32.2	15,560	15.2	13,549	13.9	13,549	13.9

	Net income per unit	Return on net assets	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
For the six months ended				
February 28, 2022	2,421	2.7	1.4	41.7
August 31, 2021	1,938	2.6	1.3	33.6

(2) Distributions

	Distributions (excluding distributions in excess of profit)		Distributions in excess of profit		Payout ratio	Ratio of distributions to net assets
	Per unit	Total	Per unit	Total		
	Yen	Millions of yen	Yen	Millions of yen	%	%
For the six months ended						
February 28, 2022	2,284	15,963	-	-	94.3	2.6
August 31, 2021	2,286	15,977	-	-	118.0	2.6

Note 1: Total distributions for the six months ended February 28, 2022 consist of retained earnings at the end of the period after reversal of retained earnings for temporary difference adjustment amounting to ¥199 million and provision of reserve for reduction entry of property amounting to ¥1,160 million.

Note 2: Total distributions for the six months ended August 31, 2021 consist of retained earnings at the end of the period after reversals of reserve for reduction entry of property amounting to ¥770 million and retained earnings for temporary difference adjustment amounting to ¥1,657 million.

(3) Financial position

	Total assets	Net assets	Ratio of net assets to total assets	Net asset value per unit
	Millions of yen	Millions of yen	%	Yen
As of				
February 28, 2022	1,247,439	624,859	50.1	89,404
August 31, 2021	1,235,720	623,671	50.5	89,234

(4) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investing activities	Financing activities	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
For the six months ended				
February 28, 2022	18,840	(41,000)	(5,008)	55,696
August 31, 2021	17,676	(6,638)	(17,194)	82,864

2. Outlook for the six months ending August 31, 2022 (March 1, 2022 to August 31, 2022) and February 28, 2023 (September 1, 2022 to February 28, 2023)

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
For the six months ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2022	40,660	0.2	17,357	-7.7	15,381	-9.1	15,380	-9.1
February 28, 2023	40,454	-0.5	17,674	1.8	15,738	2.3	15,738	2.3

	Net income per unit	Distributions per unit (excluding distributions in excess of profit)	Distributions in excess of profit per unit
For the six months ending	Yen	Yen	Yen
August 31, 2022	2,200	2,250	0
February 28, 2023	2,251	2,280	0

Note: Total distributions for the six months ending August 31, 2022 consist of retained earnings after reversals of retained earnings for temporary difference adjustment amounting to ¥86 million and reserve for reduction entry of property amounting to ¥258 million. Total distributions for the six months ending February 28, 2023 consist of retained earnings after reversal of reversal of retained earnings for temporary difference adjustment amounting to ¥196 million.

3. Others

(1) Changes in accounting policies and accounting estimates or restatements

Changes in accounting policies due to accounting standards revision: Applicable

Changes in accounting policies due to other reasons: None

Changes in accounting estimates: None

Restatements: None

(2) Number of investment units issued

Number of investment units issued at the end of period (including own investment units):

As of February 28, 2022 6,989,091 units

As of August 31, 2021 6,989,091 units

Number of own investment units at the end of period:

As of February 28, 2022 0 units

As of August 31, 2021 0 units

Note: For the number of investment unit as a basis of calculation of net income per unit, please refer to per unit information on page 32.

Forward-looking Statements and Other Notes

Forward-looking statements in this presentation are based on the information currently available and certain assumptions we believe reasonable. Actual results may differ materially from the forward-looking statements in this presentation due to various factors. In particular, the following factors could possibly have an impact on the actual results, but are not limited to them:

(1) Decrease in rent and other operating revenues, non-payment of rent or bankruptcy of tenants due to further spread of the new coronavirus and prolonged impact

Furthermore, those statements do not guarantee the amount of future distributions.

For further information and assumptions regarding the forward-looking statements, please refer to “1. State of operations, (1)

State of operations, B. Outlook of next period” on page 6-13.

1. State of operations

(1) State of operations

A. Operations during the period

i. Principal activities

Japan Metropolitan Fund Investment Corporation (“JMF”) was established under the Law Concerning Investment Trusts and Investment Corporations of Japan (Law No. 198 of 1951; as amended) on September 14, 2001. It was the first investment corporation in Japan to specifically target retail real estate assets. It was listed on the Real Estate Investment Trust (“REIT”) Section of the Tokyo Stock Exchange (securities code: 8953) on March 12, 2002.

After that, JMF effected an absorption-type merger (the “Merger”) effective on March 1, 2021 with JMF as the surviving corporation and MCUBS MidCity Investment Corporation (“MMI”) as the dissolving corporation and changed the corporation name from Japan Retail Fund Investment Corporation to Japan Metropolitan Fund Investment Corporation.

During the fiscal period ended on February 28, 2022, as in the previous fiscal year, JMF promoted asset replacement, one of growth strategies after the Merger, and acquired four properties and disposed of four properties. JMF also acquired additional investment units of a private residential REIT and investment limited partnership interests.

As a result, the total assets managed by JMF as at the end of the 40th fiscal period (fiscal period ended on February 28, 2022) amounted to 1,211.3 billion yen (the total acquisition price for 128 properties). The total acquisition price including investment securities such as the silent partnership interests related to Nagoya Lucent Tower and the investment units of Nisshin Private Residential Reit, Inc. is 1,224.3 billion yen.

ii. Investment environment and results

(1) Investment environment

(Macroeconomic trends)

During this fiscal period, the Japanese economy improved significantly thanks to a recovery in the flow of people due to progress in vaccination against COVID-19, and easing supply constraints and an increase in exports in the automotive sector, with the quarter-on-quarter gross domestic product (GDP) growth rate standing at 1.1% (+4.6% annualized) in the October to December 2021 quarter (secondary preliminary figures announced on March 9, 2022). However, the outlook remains uncertain due to the rapid spread of COVID-19 variants and heightened geopolitical risks since the beginning of 2022.

In capital markets, the Nikkei Stock Average was on a recovery trend, hitting 30,670 yen on September 14, 2021, the highest price in about 31 years, surpassing its year-to-date high set in February of the same year. However, it plummeted in January 2022 due to the impact of U.S. monetary policy and has remained weak since then. In the J-REIT market, the Tokyo Stock Exchange REIT Index started at 2,134 points as of September 1, 2021, the beginning of this fiscal period, but was 1,877 points at the end of February 2022, the end of the current period, following concerns about rising interest rates and a decline in the domestic stock market.

(Real estate trading market)

Under low interest rate environments across the world, Japan’s real estate continues to be attracting much attention not only because the impact of the COVID-19 pandemic on the real estate trading market is relatively small but also because of the country’s political and economic stability, and the acquisition environment continues to be severe, with investment appetite remaining strong among domestic and overseas investors.

(Real estate leasing market)

In retail properties, sales of high-value properties remained strong until the end of 2021, backed by increased tendency for going out and growing consumer confidence. Luxury brands continued to show strong interest in opening stores on high streets in central Tokyo, and there was also demand for pop-up stores by such brands. From January to February 2022, sales of cosmetics, clothing, and food and beverages slumped amid the rapid spread of the COVID-19 variants and the implementation of priority measures to prevent its spread. However, signs of a gradual recovery have been seen since late March due to a decrease in the number of new infections and the complete lifting of the priority measures.

In offices, partial lease cancellations and relocations for office downsizing to reduce costs continued to be seen. While vacancy rates have been on an upward trend in some large-scale offices, those for small and medium-sized offices have been rising at a more moderate pace against the backdrop of firm demand for company expansions and relocations and new openings.

(2) Results

In this environment, JMF completed the acquisition of four new properties (JMF-Bldg. Hiroo 01, JMF-Bldg. Funabashi 01, JMF-Bldg. Akasaka 02, a 50% quasi-co-ownership of trust beneficiary right to the JMF-Residence Chihaya) and the disposition of four properties (a 30% quasi-co-ownership of trust beneficiary right to the G-Bldg. Ginza 01, G-Bldg. Shinjuku 01, G-Bldg. Minami Aoyama 01, a 50% quasi-co-ownership of trust beneficiary right to the Valor Kachigawa (Land with leasehold interest)) in this fiscal period as part of its portfolio property replacement strategy. In addition, as one of the measures to grow through new initiatives, JMF acquired the additional investment units of Nisshin Private Residential Reit, Inc., a private residential REIT and the investment limited partnership interests.

As a result, the assets managed by JMF at the end of the fiscal period totaled 128 properties with a total value of 1,211.3 billion yen on an acquisition price basis and 1,309.1 billion yen on an appraisal value basis. The total leasable area was 2,533,147.83m² with the total number of tenants standing at 1,566, and the occupancy rate of the overall portfolio was 98.5%.

Primarily as a result of acquisition of new properties with unrealized gains, disposition of existing properties with unrealized gains, decline in appraisal value of certain existing properties, etc., the unrealized losses/gains ^(Note) of the overall portfolio at the end of the fiscal period decreased by 8.1 billion yen from the end of the previous fiscal period to 152.8 billion yen.

Note: "Unrealized losses/gains" is the difference between the appraisal value or researched value and book value of the individual property.

iii. Funding

JMF borrowed the same amount to fund the repayment of existing borrowings totaling 29 billion yen that became due in the current fiscal year. JMF also borrowed 6 billion for short-term borrowings to partially fund the acquisition of "JMF Bldg. Akasaka 02" in December 2021. In addition, JMF issued the 2nd JMF Green Bond (2nd Unsecured Investment Corporation Bond) 5 billion yen to appropriate for cash on hand reduced by the acquisition of "JMF Bldg. Akasaka 02", a property adopting to eligible green projects against the backdrop of expansion of financing methods through further strengthening of sustainability activities.

As a result, JMF's interest-bearing borrowings outstanding at the end of the fiscal period amounted to 549.6 billion yen, consisting of short-term borrowings of 6 billion yen, long-term borrowings of 479.1 billion yen ^(Note 1) and investment corporation bonds of 64.5 billion yen ^(Note 2) (including Green Bonds ^(Note 3)).

Consequently, the ratio of long-term borrowings^(Note 4), ratio of fixed interest rates^(Note 5), and LTV^(Note 6) were 98.9%, 94.0% and 44.1%, respectively, as at the end of the fiscal period.

Note 1: Long-term borrowings include borrowings that mature within a year.

Note 2: Investment corporation bonds include bonds that mature within a year.

Note 3: The issuance of Green Bonds must adhere to the International Capital Market Association's (ICMA) Green Bond Principles. Green Bonds are a type of bond instrument issued by corporations, investment funds, and municipalities to finance eligible "green projects" (environmentally-friendly investment projects).

Note 4: The ratio of long-term borrowings is calculated by dividing the total of long-term borrowings, investment corporation bonds by the interest-bearing borrowings.

Note 5: The ratio of fixed interest rates is calculated by dividing the total of fixed-rate debts (including debts, which the interest rates are fixed through interest rate swap agreements) and investment corporation bonds by the interest-bearing borrowings.

Note 6: LTV is calculated by dividing the total of interest-bearing borrowings by total assets.

iv. Results and distributions

The operating revenue for the period was 40,598 million yen, and operating income was 18,808 million yen after deducting operating expenses such as property taxes and asset management fees. Ordinary income was 16,924 million yen, and net income was 16,924 million yen.

With regard to distributions, in accordance with the distribution policy set forth in Article 26, Paragraph 1, Item 2 of the Articles of Incorporation, JMF intends to distribute in excess of 90% of distributable profit under Article 67-15, Paragraph 1 of the Special Taxation Measures Law of Japan (Law No. 26 of 1957; as amended).

From the fiscal period ended on August 31, 2017, reversal of the retained earnings for Temporary Difference Adjustments accompanying the partial revision of the "Rules on Real Estate Investment Trust and Real Estate Investment Corporations" made by The Investment Trusts Association, Japan, was started and it was decided to add the more than 31 million yen reversal amount onto the dividend.

In addition, with respect to the additional tax burden arising from the discrepancy between accounting treatment and tax treatment, JMF will reduce the accrual of income taxes by making distributions through the reversal of voluntary reserves (reserves for adjustment of temporary differences, etc. or reserves for dividends) and distributions in excess of earnings (distributions equivalent to the increase in allowance for adjustment of temporary differences, etc.).

In accordance with this distribution policy, it was decided to distribute, as a distribution of profit, a total of 15,963 million yen, calculated by adding 199 million yen of the reversal of retained earnings for temporary difference adjustments to, and deducting 1,160 million yen of the provision of reserve for reduction entry of property from, the unappropriated retained earnings at the end of the period of 16,924 million yen. As a result, distributions per unit amounted to 2,284 yen.

B. Outlook of next period

i. Outlook of overall operation

On a short-term basis, the economic fundamentals and corporate performance should continue to be closely monitored amid the prevalence of the new variant of the coronavirus and increasing geopolitical risks such as the uncertain future situation in Ukraine. In the retail sector, there are signs of a recovery in consumer sentiment, and demand has been resilient. In the office sector, although remote work is becoming increasingly popular, there have been moves to search for a new style of office, and steady demand is expected to continue.

However, on a medium- to long-term basis, new need may arise for various usages in urban areas, as people's work styles, dwelling styles and consumption patterns are changing considerably. Thus, management capabilities that cover specific properties or specific areas and are not limited to existing applications and property categories are thought to be necessary.

ii. Earnings forecast

The following forecasts have been made regarding asset management operation in the fiscal period ending August 2022 (41st fiscal period) and the fiscal period ending February 2023 (42nd fiscal period).

Please refer to the “Assumptions Underlying the Forecast of Operation for the Fiscal Period Ending August 2022 (41st Fiscal Period: March 1, 2022 to August 31, 2022)” and the Fiscal Period Ending February 2023 (42nd Fiscal Period: September 1, 2022 to February 28, 2023)” on the following page for the assumptions of the forecast.

Note: The below forecasts are calculated based on current assumptions in light of currently available information and resources, and they are subject to change due to changes in the situation.

Fiscal Period Ending August 2022(41st Fiscal Period: March 1, 2022 to August 31, 2022)

Operating revenues	40,660 million yen
Ordinary income	15,381 million yen
Net income	15,380 million yen
Distributions per unit	2,250 yen

Fiscal Period Ending February 2023 (42nd Fiscal Period: September 1, 2022 to February 28, 2023)

Operating revenues	40,454 million yen
Ordinary income	15,738 million yen
Net income	15,738 million yen
Distributions per unit	2,280 yen

As stated in “Assumptions Underlying the Forecast of Operation for the Fiscal Period Ending August 31, 2022 (41st Fiscal Period: March 1, 2022 to August 31, 2022) and the Fiscal Period Ending February 28, 2023 (42nd Fiscal Period: September 1, 2022 to February 28, 2023)” below, JMF acquired properties after the closing date for the period under review.

a. Acquisition of the property

JMF acquired or plans to acquire the trust beneficiary rights in real estate, real estate or the investment units of domestic real estate investment corporation after the closing date for the period under review, as shown in the table below. (For details, please refer to the “Notice Concerning Acquisition of Trust Beneficiary Right in Real Estate in Japan (JMF-Bldg. Hiroo 01 and JMF-Residence Gakugeidaigaku)” announced on September 29, 2021, the “Notice Concerning Acquisition and Partial Disposition of Trust Beneficiary Right in Real Estate in Japan (Acquisition: JMF-Residence Chihaya,

Disposition: Valor Kachigawa (Land with leasehold interest))” announced on January 27, 2022, the “Notice Concerning Acquisition of assets (investment units of domestic real estate investment corporation)” announced on March 18, 2022, and the “Notice Concerning Acquisition of Real Estate in Japan (Positive Impact Real Estate Investment) (Karuizawa Commongrounds (Land with leasehold interest))” announced on March 30, 2022.)

Property name	Location	Planned acquisition price (million yen)	Planned acquisition date
JMF-Residence Gakugeidaigaku (Trust beneficiary right in real estate)	Setagaya-ku, Tokyo	1,505	March 18, 2022
JMF-Residence Chihaya (A 50% quasi-co-ownership of trust beneficiary right)	Fukuoka-shi, Fukuoka	1,640	March 31, 2022
Karuizawa Commongrounds (Land with leasehold interest) (Real estate) ^(Note 1)	Karuizawa-machi, Kitasaku-gun, Nagano	499	December 15, 2022

(Note 1) Under the “Comprehensive Guidelines for Supervision of Financial Instruments Business Operators”, the acquisition of this property is considered to be a “forward commitment, etc.” by an investment corporation. If JMF cannot meet its forward commitment, 20% of the expected purchase price shall be paid as a penalty for breach of contract. The appraisal value of this property is 532 million yen as of March 1, 2022.

Acquired assets	Number of investment units acquired (units)	Acquisition price (million yen)	Acquisition date
Investment units of Hoosiers Private REIT Investment Corporation	1,100	1,100	March 24, 2022

C. Material facts that occurred after the settlement of accounts

Disposition of the property

JMF disposed the trust beneficiary rights, as shown below on March 1, 2022.

Property name	Disposition price	Completion date of contract	Planned acquisition date	Purchaser
G-Bldg. Ginza 01 (A 30% quasi-co-ownership of trust beneficiary right)	Not disclosed ^(Note 1)	November 30, 2021	March 1, 2022	Hulic Co., Ltd.
Summit Store Nakano Minamidai (Trust beneficiary right in real estate)				

(Note 1) Individual disposition price is not disclosed because the purchaser has not agreed to the disclosure. The total price of the assets to be transferred (G-Bldg. Ginza 01, G-Bldg. Shinjuku 01, Summit Store Nakano Minamidai) under this transfer agreement on November 30, 2021 is 20.82 billion (of which, a 30% quasi-co-ownership of trust beneficiary right to the G-Bldg. Ginza 01 and G-Bldg. Shinjuku 01 have been disposed of during the current period).

(Note 2) Impact on profit and loss: In the 41st fiscal period (March 1, 2022 to August 31, 2022), a gain on sale of real estate, etc. of about 1.817 billion yen will be recorded.

(Reference)

a. Agreement on transfer of shares of the asset manager

Mitsubishi Corporation as the parent company and specified affiliated company of Mitsubishi Corp.-UBS Realty Inc., JMF's asset management company (the "Asset Manager") and UBS Asset Management AG as a major shareholder of the Asset Manager agreed to transfer all of the Asset Manager's shares held by them to 76KK, an indirect subsidiary of KKR & Co. Inc. (the "Share Transfer") on March 17, 2022. The Share Transfer will be implemented on or before April 28, 2022 subject to approval of the relevant authority and satisfaction of other customary terms and conditions.

After the Share Transfer, Mitsubishi Corporation will cease to be the parent company and specified affiliated company of the Asset Management Company, and UBS Asset Management AG will cease to be the major shareholder of the Asset Management Company. After the Share Transfer, 76KK will become the major shareholder, parent company and specified affiliated company of the Asset Management Company. In addition, entities listed below (including 76KK) will become specified affiliated companies of the Asset Management Company.

Name	Overview of related business
76KK	a direct parent company of the Asset Manager
KKR Asia LLC	an indirect parent company of the Asset Manager (wholly-owned parent company of 76KK)
Kohlberg Kravis Roberts & Co. L.P.	an indirect parent company of the Asset Manager (wholly-owned parent company of KKR Asia LLC)
KKR & Co. GP LLC	an indirect parent company of the Asset Manager ^(Note)
KKR Holdco LLC	an indirect parent company of the Asset Manager (wholly-owned parent company of KKR & Co. GP LLC)
KKR Group Partnership L.P.	an indirect parent company of the Asset Manager (wholly-owned parent company of KKR Holdco LLC)
KKR Group Holdings Corp.	an indirect parent company of the Asset Manager (wholly-owned parent company of KKR Group Partnership L.P.)
KKR & Co. Inc.	an indirect parent company of the Asset Manager (wholly-owned parent company of KKR Group Holdings Corp.)

(Note 1) KKR & Co. GP LLC will be a parent company of the Asset Management Company as it is the general partner of Kohlberg Kravis Roberts & Co. L.P.

b. Disposition of the property

JMF has entered into a transfer agreement, as shown below on November 30, 2021.

Property name	Disposition price	Completion date of contract	Planned acquisition date	Purchaser
G-Bldg. Ginza 01 (A 40% quasi-co-ownership of trust beneficiary right)	Not disclosed (Note 1)	November 30, 2021	September 1, 2022	Hulic Co., Ltd.

(Note 1) Individual disposition price is not disclosed because the purchaser has not agreed to the disclosure. The total price of the assets to be transferred (G-Bldg. Ginza 01, G-Bldg. Shinjuku 01, Summit Store Nakano Minamidai) under this transfer agreement on November 30, 2021 is 20.82 billion (of which, a 30% quasi-co-ownership of trust beneficiary right to the G-Bldg. Ginza 01 and G-Bldg. Shinjuku 01 have been disposed of during the current period).

(Note 2) Impact on profit and loss: In the 42nd fiscal period (September 1, 2022 to February 28, 2023), a gain on sale of real estate, etc. of about 1.355 billion yen will be recorded.

(2) Investment risk

There have not been any significant changes to the “Investment risk” in the most recent financial report (submitted on November 25, 2021) and hence, description of these matters is omitted.

Assumptions Underlying the Forecast of Operation for the Fiscal Period Ending August 31, 2022 (41st Fiscal Period: March 1, 2022 to August 31, 2022) and the Fiscal Period Ending February 28, 2023 (42nd Fiscal Period: September 1, 2022 to February 28, 2023)

Item	Assumption
Accounting period	<ul style="list-style-type: none"> • August 2022 (41st) Fiscal Period (March 1, 2022 to August 31, 2022) (184 days) • February 2023 (42nd) Fiscal Period (September 1, 2022 to February 28, 2023) (181 days)
Assets owned	<ul style="list-style-type: none"> • We assume that 128 properties, interests in one silent partnership (<i>tokumei kumiai</i>), investment units of one domestic real estate investment corporation, and one of investment limited partnership interests as of February 28, 2022 plus acquisition and disposition under below will be under management. <p>August 2022 (41st) Fiscal Period (March 1, 2022 to August 31, 2022) (184 days)</p> <ul style="list-style-type: none"> • Acquisition JMF Residence Gakugeidaigaku, JMF-Residence Chihaya (A 50% quasi-co-ownership of trust beneficiary right), Investment units of Hoosiers Private REIT Investment Corporation • Disposition G-Bldg. Ginza 01 (A 30% quasi-co-ownership of trust beneficiary right), Summit Store Nakano Minamidai, other one asset to be disposed <p>February 2023 (42nd) Fiscal Period (September 1, 2022 to February 28, 2023) (181 days)</p> <ul style="list-style-type: none"> • Acquisition Karuizawa Commongrounds (Land with leasehold interest) • Disposition G-Bldg. Ginza 01 (A 40% quasi-co-ownership of trust beneficiary right) <ul style="list-style-type: none"> • Except the changes described above, we assume that no other (anticipated) changes (new property acquisitions and sales of owned properties etc., excluding reconstruction of current properties) of the acquisitions of new properties and dispositions of current portfolio properties, etc., will occur prior to the end of the February 2023 (42nd) fiscal period. • The actual number may vary according to the acquisitions of new properties and dispositions of current portfolio properties in the portfolio, etc.
Issue of units	<ul style="list-style-type: none"> • The number of investment units issued at the end of the fiscal period is 6,989,091 units, assuming that there will not be any additional issuance of new investment units or repurchase/retirement of own investment units.

<p style="text-align: center;">Interest-bearing debt</p>	<ul style="list-style-type: none"> • Interest-bearing debt as of February 28, 2022 stands at 549,675 million yen, the breakdown of which is short-term debts of 6,000 million yen and long-term debts of 479,175 million yen and investment corporation bonds (including Green Bonds) of 64,500 million yen. JMF entered into agreements on March 14, 2022 and refinanced the loans on March 31 and April 1, 2022. As a result, interest-bearing debt as of today stands at 549,675 million yen, the breakdown of which is short-term debts of 6,000 million yen and long-term debts of 479,175 million yen and investment corporation bonds (including Green Bonds) of 64,500 million yen. • Interest-bearing debt that will come due by the end of the February 2023 (42nd) fiscal period amounts to 6,000 million yen in short-term borrowings, 40,200 million yen in long-term borrowings and 6,000 million yen in investment corporation bonds, but it is assumed that the entire amount will be procured through borrowings as the source of funds for repayment.
<p style="text-align: center;">Operating revenues</p>	<ul style="list-style-type: none"> • With respect to gain on sales of property, we assume that gain on sales of property of 1,817 million yen in the disposition of G-Bldg. Ginza 01 (A 30% quasi-co-ownership of trust beneficiary right) and Summit Store Nakano Minamidai as of August 2022 (41st) and 1,355 million yen in the disposition of G-Bldg. Ginza 01 (A 40% quasi-co-ownership of trust beneficiary right) as of February 2023 (42nd) will be recorded. • Rent and other operating revenues are calculated based on lease contracts in effect as of the date of this document. • Rent levels and estimated rents for the portions of properties that are vacant are calculated taking into account negotiations with our tenants and other relevant factors that took place until the date of this document. • We assume that there will be no arrears or nonpayment of rent by our tenants through the end of the February 2023 (42nd) fiscal period. • Considering the state of negotiations with the tenants, etc. as of the date of this document, certain risks of a potential decrease in revenues due to the impact of COVID-19 are assumed to exist.

<p>Operating expense (excluding goodwill amortization)</p>	<ul style="list-style-type: none"> • Although we have not decided on the disposition of properties at this time, we assume that a loss on sales of property of 427 million yen will be incurred in the fiscal period ending August 31, 2022 (41st) as a result of the disposition of properties held during the fiscal period (41st). The actual amount may vary depending on the success or failure of the transactions, selling price, delivery date, and other conditions. • We assume property-related taxes of 3,505 million yen in the August 2022 (41st) fiscal period, and 3,493 million yen in the February 2023 (42nd) respectively. • With respect to property taxes, urban planning taxes and depreciable assets taxes (“taxes on property and equipment”) on properties owned by JMF, the tax amount assessed and payable for the corresponding accounting periods has been calculated as property related expenses. However, should any need arise for settlement, such as a need to pay settlement amount for taxes on property and equipment, in relation to new property acquisitions to be made during the year in which the period falls (“amounts equivalent to taxes on property and equipment”), such amounts are taken into account in the acquisition cost of the properties and therefore are not recorded as expenses for the period. Therefore, with respect to taxes on property and equipment pertaining to the properties to be acquired in 2022 (JMF Residence Gakugeidaigaku, JMF-Residence Chihaya and Karuizawa Commongrounds (Land with leasehold interest)), the tax amounts assessed and payable for the relevant accounting periods will be recorded as property-related expenses in 2023 and onwards. We have assumed that the amounts equivalent to taxes on property and equipment included in the acquisition costs of JMF Residence Gakugeidaigaku, JMF-Residence Chihaya and Karuizawa Commongrounds (Land with leasehold interest) are equivalent to 17 million yen in total. • We assume that repair and maintenance will be 1,026 million yen for the August 2022 (41st) fiscal period, and 1,090 million yen for the February 2023 (42nd) fiscal period. However, repair and maintenance expenses may vary substantially from the estimate since such expenses may be incurred due to unforeseeable reasons. • We assume that depreciation will be 6,006 million yen for the August 2022 (41st) fiscal period, and 5,973 million yen for the February 2023 (42nd) fiscal period. • We assume that outsourcing fees will be property management fees of 734 million yen for the August 2022 (41st) fiscal period, and 880 million yen for the February 2023 (42nd) fiscal period, and facility management fees of 2,449 million yen for the August 2022 (41st) fiscal period, and 2,456 million yen for the February 2023 (42nd) fiscal period. • We assume that we will incur losses of 66 million yen in the August 2022 (41st) fiscal period, and 65 million yen in the February 2023 (42nd) fiscal period, respectively, on the disposal of property related to facility updates, etc. at each property. With respect to the loss on disposal of property described above, those losses related to properties whose estimated useful lives are determined to be subject to review as a result of the change in the estimate from an accounting perspective will be treated as depreciation. • Asset management fees are based on the assumption that the ongoing asset management fee structure of JMF will not be changed.
--	--

<p>Goodwill amortization</p>	<ul style="list-style-type: none"> We assume that the goodwill will be amortized over 20 years using the straight-line basis in accordance with the Accounting Standard for Business Combinations (Accounting Standards Board of Japan Statement No. 21 revised on January 16, 2019). We assume that goodwill amortization for the August 2022 (41st) fiscal period and the February 2023 (42nd) fiscal period will be 401 million yen.
<p>Non-operating expenses</p>	<ul style="list-style-type: none"> We assume that non-operating expenses (including interest expense, loan-related costs, interest expenses on investment corporation bonds, etc.) will be 1,976 million yen for the August 2022 (41st) fiscal period, and 1,935 million yen for the February 2023 (42nd) fiscal period.
<p>Distributions per unit</p>	<ul style="list-style-type: none"> The distributions per unit are determined in accordance with the cash distribution policy stipulated in the Articles of Incorporation of JMF. It is assumed that the distributions for the August 2022 (41st) fiscal period are calculated based on the assumptions that a total of 15,725 million yen (distributions per unit: 2,250 yen), consisting of retained earnings at the end of the period amounting to 15,380 million yen, plus reversal of reserve for temporary difference adjustment amounting to 86 million yen and reversal of reserve for dividends amounting to 258 million yen. It is assumed that the distributions for the February 2023 (42nd) fiscal period are calculated based on the assumptions that a total of 15,935 million yen (distributions per unit: 2,280 yen), consist of retained earnings at the end of the period amounting to 15,738 million yen, plus reversal of reserve for temporary difference adjustment amounting to 196 million yen. It is assumed that retained earnings for temporary difference adjustment of JMF will be reversed in at least a 50-year equal payment (31 million yen) each fiscal period starting in the fiscal period ended August 2017 (31st fiscal period). We assume that additional tax imposition resulting from inconsistencies between tax and accounting treatment will be avoided by reversing of retained earnings for temporary difference adjustments.
<p>Distributions in excess of profit per unit</p>	<ul style="list-style-type: none"> We do not plan to make distributions in excess of profits at this time.
<p>Other</p>	<ul style="list-style-type: none"> We assume that there will be no amendment of laws, accounting standards and the tax system in Japan that will impact the aforementioned forecasts and no unforeseen, significant changes will occur in general economic trends and property market movements in Japan.

2. Financial information

(1) Balance sheets

(Thousands of yen)

	As of	
	August 31, 2021	February 28, 2022
ASSETS		
Current assets:		
Cash and bank deposits	64,815,529	38,840,649
Cash and bank deposits in trust (Note 1)	18,562,314	17,368,710
Rent receivables	1,047,098	1,014,373
Income taxes receivable	45,739	44,505
Consumption tax refundable	-	250,604
Other current assets	1,286,755	1,133,974
Total current assets	85,757,437	58,652,818
Non-current assets:		
Property and equipment:		
Buildings	2,474,308	2,465,178
Accumulated depreciation	(789,991)	(825,539)
Buildings, net	1,684,317	1,639,638
Building improvements	66,693	66,693
Accumulated depreciation	(30,620)	(32,110)
Building improvements, net	36,072	34,582
Furniture and fixtures	21,358	21,358
Accumulated depreciation	(15,834)	(16,329)
Furniture and fixtures, net	5,523	5,028
Land	28,459,580	28,459,580
Construction in progress	41,020	2,432
Buildings in trust (Note 2)	333,918,946	341,788,614
Accumulated depreciation	(109,594,075)	(114,653,464)
Buildings in trust, net (Note 1)	224,324,871	227,135,150
Building improvements in trust (Note 2)	12,218,969	12,214,832
Accumulated depreciation	(4,728,045)	(4,880,102)
Building improvements in trust, net (Note 1)	7,490,923	7,334,730
Machinery and equipment in trust	2,149,423	2,200,537
Accumulated depreciation	(1,395,775)	(1,449,236)
Machinery and equipment in trust, net (Note 1)	753,648	751,300
Furniture and fixtures in trust (Note 2)	4,975,095	5,142,042
Accumulated depreciation	(3,163,745)	(3,310,665)
Furniture and fixtures in trust, net (Note 1)	1,811,349	1,831,377
Land in trust (Notes 1 and 2)	849,981,160	883,826,092
Construction in progress in trust (Note 1)	118,392	154,350
Total property and equipment	1,114,706,861	1,151,174,264
Intangible assets:		
Goodwill	15,647,971	15,246,741
Leasehold rights in trust	5,053,919	5,033,845
Other intangible assets	226,099	314,470
Other intangible assets in trust	96,711	84,154
Total intangible assets	21,024,701	20,679,212
Investment and other assets:		
Investment securities	10,611,996	13,115,153
Lease deposits in trust	1,539,837	1,487,004
Long-term prepaid expenses	1,927,613	2,114,255
Derivatives	-	58,935
Other investments	1,036	1,036
Total investment and other assets	14,080,484	16,776,384
Total non-current assets	1,149,812,048	1,188,629,861
Deferred assets:		
Investment corporation bond issuance costs	151,154	157,163
Total deferred assets	151,154	157,163
TOTAL ASSETS	1,235,720,640	1,247,439,843

(To be continued on the following page)

(Thousands of yen)

	As of	
	August 31, 2021	February 28, 2022
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable – operating	3,828,778	3,900,536
Short-term borrowings	-	6,000,000
Current portion of long-term bonds issued – unsecured	6,000,000	6,000,000
Current portion of long-term borrowings	52,900,000	47,200,000
Accounts payable – other	71,301	51,027
Accrued expenses	2,228,371	2,195,628
Income taxes payable	605	605
Consumption tax payable	1,157,900	-
Rent received in advance	4,420,894	4,529,198
Deposits received	1,121,653	2,333,630
Current portion of tenant leasehold and security deposits in trust (Note 1)	674,895	68,065
Derivatives liabilities	37,772	13,498
Other current liabilities	156,720	214,028
Total current liabilities	72,598,893	72,506,218
Non-current liabilities:		
Long-term bonds issued – unsecured	53,500,000	58,500,000
Long-term borrowings	426,275,000	431,975,000
Tenant leasehold and security deposits	1,785,226	1,821,305
Tenant leasehold and security deposits in trust (Note 1)	56,876,280	56,885,135
Asset retirement obligations	783,521	787,426
Derivatives liabilities	109,430	-
Other non-current liabilities	121,128	105,257
Total non-current liabilities	539,450,587	550,074,125
TOTAL LIABILITIES	612,049,481	622,580,343
Net Assets (Note 6)		
Unitholders' equity:		
Unitholders' capital	411,878,082	411,878,082
Surplus:		
Capital surplus	202,855,188	202,855,188
Deduction from capital surplus (Note 4)	(11,999,843)	(11,999,843)
Capital surplus, net	190,855,344	190,855,344
Voluntary reserve		
Reserve for reduction entry of property	770,557	-
Reserve for dividends	3,915,072	3,915,072
Retained earnings for temporary difference adjustment (Note 5)	2,785,030	1,127,716
Total voluntary reserve	7,470,660	5,042,789
Retained earnings	13,549,190	16,924,222
Total surplus	211,875,196	212,822,356
Total unitholders' equity	623,753,278	624,700,438
Valuation and translation adjustments:		
Net unrealized holding gains (losses) on investment securities	65,083	105,365
Deferred gains or losses on hedges	(147,202)	53,695
Total valuation and translation adjustments	(82,119)	159,061
TOTAL NET ASSETS	623,671,158	624,859,499
TOTAL LIABILITIES AND NET ASSETS	1,235,720,640	1,247,439,843

The accompanying notes in sections (6), (7), (8) and (9) below are an integral part of these statements.

(2) Statements of income and retained earnings

(Thousands of yen)

	For the six months ended	
	August 31, 2021	February 28, 2022
Operating revenues		
Rent and other operating revenues (Note 7)	38,022,596	37,812,164
Gain on sales of property (Note 8)	2,107,223	2,532,299
Dividend income	230,926	254,073
Total operating revenues	40,360,746	40,598,537
Operating expenses		
Property-related expenses (Note 7)	17,239,266	16,995,117
Loss on sales of property (Note 9)	1,767,153	-
Asset management fees	4,449,593	3,690,930
Custodian fees	30,530	32,877
General administration fees	132,113	149,045
Compensation for Directors	5,782	5,782
Merger expenses	356,711	-
Amortization of goodwill	401,230	401,230
Other operating expenses	417,894	515,377
Total operating expenses	24,800,276	21,790,360
Operating income	15,560,469	18,808,177
Non-operating revenues		
Interest income	411	343
Subsidy income	16,406	28,927
Sponsorship money income	-	52,800
Other non-operating revenues	4,443	4,537
Total non-operating revenues	21,261	86,607
Non-operating expenses		
Interest expenses	1,492,843	1,409,884
Interest expenses on investment corporation bonds	174,240	183,369
Amortization of investment corporation bond issuance costs	21,632	24,403
Loan-related costs	339,053	349,077
Other non-operating expenses	4,166	3,223
Total non-operating expenses	2,031,935	1,969,957
Ordinary income	13,549,795	16,924,827
Income before income taxes	13,549,795	16,924,827
Income taxes		
Current	605	605
Total income taxes	605	605
Net income	13,549,190	16,924,222
Unappropriated earnings at beginning of period	-	-
Retained earnings at the end of period	13,549,190	16,924,222

The accompanying notes in sections (6), (7), (8) and (9) below are an integral part of these statements.

(3) Statements of changes in net assets

(Thousands of yen)

	Unitholders' equity										Valuation and translation adjustments				
	Surplus										Total unitholders' equity	Net unrealized holding gains (losses) on investment securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	Total net assets
	Unitholders' capital (Note 6)	Capital surplus	Deduction from capital surplus	Capital surplus, net	Reserve for reduction entry of property	Reserve for dividends	Retained earnings for temporary difference adjustment	Total voluntary reserve	Retained earnings	Total surplus					
Balance as of February 28, 2021	411,878,082	14,986,826	(11,999,843)	2,986,982	452,199	3,915,072	2,918,039	7,285,311	11,896,522	22,168,816	434,046,898	-	(79,697)	(79,697)	433,967,201
Changes during the period															
Increase by merger	-	187,868,362	-	187,868,362	-	-	-	-	-	187,868,362	187,868,362	-	-	-	187,868,362
Provision of reserve for reduction entry of property	-	-	-	-	318,357	-	-	318,357	(318,357)	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment	-	-	-	-	-	-	(133,008)	(133,008)	133,008	-	-	-	-	-	-
Cash distribution declared	-	-	-	-	-	-	-	-	(11,711,173)	(11,711,173)	(11,711,173)	-	-	-	(11,711,173)
Net income	-	-	-	-	-	-	-	-	13,549,190	13,549,190	13,549,190	-	-	-	13,549,190
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-	-	-	65,083	(67,505)	(2,422)	(2,422)
Total changes during the period	-	187,868,362	-	187,868,362	318,357	-	(133,008)	185,348	1,652,668	189,706,379	189,706,379	65,083	(67,505)	(2,422)	189,703,957
Balance as of August 31, 2021	411,878,082	202,855,188	(11,999,843)	190,855,344	770,557	3,915,072	2,785,030	7,470,660	13,549,190	211,875,196	623,753,278	65,083	(147,202)	(82,119)	623,671,158
Changes during the period															
Reversal of reserve for reduction entry of property	-	-	-	-	(770,557)	-	-	(770,557)	770,557	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment	-	-	-	-	-	-	(1,657,314)	(1,657,314)	1,657,314	-	-	-	-	-	-
Cash distribution declared	-	-	-	-	-	-	-	-	(15,977,062)	(15,977,062)	(15,977,062)	-	-	-	(15,977,062)
Net income	-	-	-	-	-	-	-	-	16,924,222	16,924,222	16,924,222	-	-	-	16,924,222
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-	-	-	40,282	200,898	241,180	241,180
Total changes during the period	-	-	-	-	(770,557)	-	(1,657,314)	(2,427,871)	3,375,031	947,160	947,160	40,282	200,898	241,180	1,188,341
Balance as of February 28, 2022	411,878,082	202,855,188	(11,999,843)	190,855,344	-	3,915,072	1,127,716	5,042,789	16,924,222	212,822,356	624,700,438	105,365	53,695	159,061	624,859,499

The accompanying notes in sections (6), (7), (8) and (9) below are an integral part of these statements.

(4) Statements of cash distributions

		(Yen)	
		For the six months ended	
		August 31, 2021	February 28, 2022
I	Retained earnings at the end of period	13,549,190,760	16,924,222,679
II	Reversal of voluntary reserve		
	<i>Reversal of reserve for reduction entry of property</i>	770,557,235	-
	<i>Reversal of retained earnings for temporary difference adjustment (Note 10 in section (9) below)</i>	1,657,314,031	199,281,527
III	Cash distribution declared	15,977,062,026	15,963,083,844
	<i>(Cash distribution declared per unit)</i>	<i>(2,286)</i>	<i>(2,284)</i>
IV	Voluntary reserve		
	<i>Reserve for reduction entry of property</i>	-	1,160,420,362
V	Retained earnings carried forward	-	-

For the six months ended August 31, 2021:

In accordance with the distribution policy in the JMF's article of incorporation 26, Paragraph 1, Item 2, which stipulates to make distribution in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, a total of cash distributions declared for the six months ended August 31, 2021 amounting to ¥15,977,062,026 consisted all of retained earnings at the end of the period after reversals of reserve for reduction entry of property amounting to ¥770,557,235 and retained earnings for temporary difference adjustment amounting to ¥1,657,314,031. As a result, distribution per unit amounted to ¥2,286. JMF generally does not make distribution in excess of profit prescribed in the article of incorporation 26, Paragraph 2.

For the six months ended February 28, 2022:

In accordance with the distribution policy in the JMF's article of incorporation 26, Paragraph 1, Item 2, which stipulates to make distribution in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, a total of cash distributions declared for the six months ended February 28, 2022 amounting to ¥15,963,083,844 consisted all of retained earnings at the end of the period after reversal of retained earnings for temporary difference adjustment amounting to ¥199,281,527 and provision for reduction entry of property amounting to ¥1,160,420,362. As a result, distribution per unit amounted to ¥2,284. JMF generally does not make distribution in excess of profit prescribed in the article of incorporation 26, Paragraph 2.

(5) Statements of cash flows

(Thousands of yen)

	For the six months ended	
	August 31, 2021	February 28, 2022
Cash Flows from Operating Activities:		
Income before income taxes	13,549,795	16,924,827
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation	6,161,683	6,058,181
Amortization of goodwill	401,230	401,230
Amortization of investment corporation bond issuance costs	21,632	24,403
Gain on sales of property	(2,107,223)	(2,532,299)
Loss on sales of property	1,767,153	-
Loss on disposal of fixed assets	24,898	25,712
Interest income	(411)	(343)
Interest expenses	1,667,083	1,593,253
Changes in assets and liabilities:		
(Increase) decrease in rent receivables	10,647	34,519
(Increase) decrease in income taxes receivable	(37,322)	1,233
(Increase) decrease in consumption tax refundable	-	(250,604)
(Increase) decrease in long-term prepaid expenses	(140,601)	(186,641)
Increase (decrease) in accounts payable - operating	(600,945)	(519,745)
Increase (decrease) in consumption tax payable	(56,050)	(1,157,900)
Increase (decrease) in accounts payable - other	(237,993)	5,188
Increase (decrease) in accrued expenses	(320,758)	(16,092)
Increase (decrease) in rent received in advance	101,972	108,304
Increase (decrease) in deposits received	(582,302)	(234,060)
Other, net	(244,887)	218,381
Sub total	<u>19,377,601</u>	<u>20,497,548</u>
Interest received	411	343
Interest expenses paid	(1,680,441)	(1,656,853)
Income taxes paid	(20,695)	(605)
Net cash provided by operating activities	<u>17,676,875</u>	<u>18,840,433</u>
Cash Flows from Investing Activities:		
Purchase of property and equipment	(39,204)	(24,694)
Purchase of property and equipment in trust	(32,279,364)	(63,250,844)
Proceeds from sales of property and equipment in trust	29,669,968	24,044,255
Payments for sales of property and equipment in trust	(56,760)	(134,981)
Purchase of intangible assets	(131,258)	(109,055)
Purchase of intangible assets in trust	(5,440)	(2,169)
Payments of tenant leasehold and security deposits	(28,166)	(33,326)
Proceeds from tenant leasehold and security deposits	54,288	34,213
Payments of tenant leasehold and security deposits in trust	(3,708,690)	(2,135,537)
Proceeds from tenant leasehold and security deposits in trust	1,771,827	3,022,282
Proceeds from lease deposits	-	10,000
Proceeds from lease deposits in trust	7,500	42,833
Purchase of investment securities	(1,893,098)	(2,463,603)
Payments for restricted bank deposits in trust	-	(4)
Net cash used in investing activities	<u>(6,638,398)</u>	<u>(41,000,634)</u>
Cash Flows from Financing Activities:		
Proceeds from short-term borrowings	-	6,500,000
Repayments of short-term borrowings	-	(500,000)
Proceeds from long-term borrowings	39,750,000	28,500,000
Repayments of long-term borrowings	(46,750,000)	(28,500,000)
Proceeds from issuance of investment corporation bonds	8,449,966	4,969,586
Redemption of investment corporation bonds	(1,500,000)	-
Payments of merger cash distributions	(5,434,444)	-
Distribution payments	(11,710,354)	(15,977,875)
Net cash used in financing activities	<u>(17,194,833)</u>	<u>(5,008,288)</u>
Net change in cash and cash equivalents	<u>(6,156,356)</u>	<u>(27,168,488)</u>
Cash and cash equivalents at the beginning of period	<u>72,563,168</u>	<u>82,864,510</u>
Increase in cash and cash equivalents resulting from merger	<u>16,457,698</u>	<u>-</u>
Cash and cash equivalents at the end of period (Note 11)	<u>82,864,510</u>	<u>55,696,022</u>

The accompanying notes in sections (6), (7), (8) and (9) below are an integral part of these statements.

(6) Note relating to going concern assumption

Not applicable.

(7) Summary of significant accounting policies

(a) Securities

Investment securities for which market quotations are available are stated at fair value, with net unrealized gains or losses reported in a separate component of net assets. Costs of securities sold are determined by the moving average method.

Non-marketable investment securities are stated at cost determined by the moving average method. Investments in Tokumei Kumiai (silent partnership) agreements or investment limited partnership are accounted for by using the equity method of accounting.

(b) Property and equipment

Property and equipment is recorded at cost. Depreciation of property and equipment, except for land, is calculated on a straight-line basis over the estimated useful lives of the assets as stated below:

Buildings	2-62 years
Building improvements	2-60 years
Machinery and equipment	2-17 years
Furniture and fixtures	2-20 years

(c) Intangible assets

Intangible assets are amortized on a straight-line basis.

Goodwill is amortized on a straight-line basis over 20 years.

(d) Leased assets

Finance lease transactions that do not transfer ownership of the leased property to the lessee, are capitalized and depreciated on a straight-line basis, assuming no residual value, over the lease term.

(e) Long-term prepaid expenses

Long-term prepaid expenses are amortized on a straight-line basis.

(f) Investment unit issuance costs

Investment unit issuance costs are capitalized and amortized on a straight-line basis over three years.

(g) Investment corporation bond issuance costs

Investment corporation bond issuance costs are capitalized and amortized on a straight-line basis over the maturity period of the bonds issued.

(h) Revenue recognition

The content of the performance obligations regarding the revenue arising from contracts with the customers of JMF and the normal point in time when satisfying such performance obligations (normal point in time when recognizing revenues) are mainly as follows:

(1) Sale of property

Revenue from sale of property is recognized when the purchaser, which is a customer, acquires control of the property by fulfilling the delivery obligations stipulated in the sale contract of the property.

(2) Common area charges

For common area charges, revenue is recognized based on the supply of electricity, water, etc. to the lessee, which is a customer, in accordance with the terms of the lease agreement of properties and accompanying agreements. Of utilities revenue, when JMF is deemed to be an agent in the transaction, the net amount obtained by deducting the amount paid to other related parties supplying electricity, water, etc. from the amount received as the charges for electricity, water, etc. is recognized as revenue.

(i) Taxes on property and equipment

Property and equipment are subject to various taxes, such as property taxes and urban planning taxes on annual basis. An owner of a property is registered in the record maintained by the local government in each jurisdiction, and such taxes are imposed on the owner registered in the record as of January 1st of each year based on the assessment made by the local government.

Under the above tax rules, a seller of a property at the time of disposal is liable for these taxes on the property from the date of disposal to the end of the calendar year in which the property is disposed. The seller, however, is reimbursed by the purchaser for these accrued tax liabilities and the amount of settlement reflects this adjustment. For the purchaser, a portion of such taxes calculated from the acquisition date to the end of the calendar year is capitalized as a cost of the property in accordance with accounting principles and practices generally accepted in Japan ("Japanese GAAP"). In subsequent calendar years, half of such taxes on property and equipment for each calendar year are charged as operating expenses in each fiscal period.

Taxes on property and equipment capitalized amounted to ¥77,043 thousand and ¥24,075 thousand for the six months ended August 31, 2021 and February 28, 2022, respectively.

(j) Hedge accounting

In accordance with JMF's risk management policy and its internal rules, JMF conducts derivative transactions for the purpose of hedging risks that are prescribed in JMF's article of incorporation. JMF hedges fluctuations in interest rates of borrowings through the use of interest rate swaps as hedging instruments and deferred hedge accounting is generally used for such interest rate swaps. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments and the hedged items.

JMF applies, however, the special treatment provided under Japanese GAAP for the interest rate swaps which qualify for hedge accounting and meet specific criteria, under which only the interest received or paid under such swap contracts is recognized and added to or reduced from any interest earned or incurred on the hedged asset or liability as appropriate, and the fair value of the interest rate swaps is not required to be evaluated separately. The assessment of hedge effectiveness is not performed when the interest rate swaps meet the specific criteria required for such special treatment.

(k) Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits, and short-term investments which are highly liquid and readily convertible into cash, have a low risk of price fluctuation, and mature within three months from the date of acquisition.

(l) Accounting treatment of trust beneficiary interests in real estate trusts

Trust beneficiary interests in real estate trusts are commonly utilized to obtain ownership in commercial properties in Japan, through which JMF holds all of its real estate. Assets and liabilities with respect to assets in trust, as well as all income generated and expenses incurred with respect to assets in trust, are recorded in the relevant accounts for balance sheet and statement of income and retained earnings of JMF in proportion to the percentage interest that such trust beneficiary interest represents.

Certain material assets or liabilities in trust listed below are, however, presented separately in the balance sheets.

- (1) Cash and bank deposits in trust
- (2) Buildings in trust, Building improvements in trust, Machinery and equipment in trust, Furniture and fixtures in trust, Land in trust and Construction in progress in trust
- (3) Leasehold rights in trust
- (4) Other intangible assets in trust
- (5) Lease deposits in trust
- (6) Tenant leasehold and security deposits in trust

(m) Consumption tax

Consumption taxes withheld and consumption taxes paid are not included in the statements of income and retained earnings. The consumption taxes paid are generally offset against the balance of consumption taxes withheld. As such, the excess of payments over amounts withheld are included in current assets and the excess of amounts withheld over payments are included in current liabilities as the case may be.

(8) Changes in accounting policies

(a) Application of accounting standard for revenue recognition

JMF applied the "Accounting Standard for Revenue Recognition" (Accounting Standards Board of Japan (ASBJ) Statement No. 29 revised on March 31, 2020), etc. from the beginning of the six months ended February 28, 2022, and recognizes revenue based on the amount expected to be received in exchange for the promised goods or services when the control of such goods or services is transferred to the customers. The effect of this application on the financial information is immaterial. Information on revenue recognition in the notes to the financial information for the previous fiscal period is not included in accordance with the transitional treatment stipulated in Paragraph 89-3 of Accounting Standard for Revenue Recognition.

(b) Application of accounting standard for fair value measurement

JMF applied the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30 issued on July 4, 2019), etc. from the beginning of the six months ended February 28, 2022, and applies the new accounting policies mandated by Accounting Standard for Fair Value Measurement, etc., prospectively, in accordance with the transitional treatments specified in Paragraph 19 of Accounting Standard for Fair Value Measurement and Paragraph 44-2 of Accounting Standard for Financial Instruments (ASBJ Statement No. 10 revised on July 4, 2019). The effect of this application on the financial information is immaterial. In addition, pursuant to the provision of Article 2, paragraph 5 of the Supplementary Provision of the "Cabinet Office Ordinance Partially Revising Regulation for Terminology, Forms, and Preparation Methods of Financial Statements" (Cabinet Office Ordinance No. 61, September 24, 2021), the matters listed in Article 8-6-2, paragraph 1, item 3 of the revised Regulation on Terminology, Forms, and Preparation Methods of Financial Statements are omitted.

(9) Notes to financial information

Note 1 — Collateral

The carrying amounts of assets stated below were pledged as collateral to secure tenant leasehold and security deposits in trust totaling ¥16,225,708 thousand and ¥15,685,708 thousand as of August 31, 2021 and February 28, 2022, respectively.

(Thousands of yen)

	As of	
	August 31, 2021	February 28, 2022
Cash and bank deposits in trust	513,333	513,338
Buildings in trust	49,361,089	48,347,523
Building improvements in trust	2,058,551	2,008,312
Machinery and equipment in trust	143,341	133,760
Furniture and fixtures in trust	515,129	507,172
Land in trust	123,961,028	123,961,028
Construction in progress in trust	12,001	2,117
Total	176,564,475	175,473,252

Certain lands and buildings included in the above table were pledged as collateral to secure a former owner's payment of retirement benefit obligation for amounts of ¥350,000 thousand as of August 31, 2021 and February 28, 2022 or a co-owner's payment of tenant leasehold and security deposits for amounts of ¥133,035 thousand and revolving mortgage at a maximum ¥558,872 thousand as of August 31, 2021 and February 28, 2022.

Note 2 — Reduction entry of property

Certain properties were acquired by government subsidies received or through exchange. The acquisition costs of such properties were reduced as follows:

(Thousands of yen)

	As of	
	August 31, 2021	February 28, 2022
Acquired by government subsidies		
Buildings in trust	334,351	336,589
Building improvements in trust	424	424
Furniture and fixtures in trust	495	495
Total	335,271	337,509
Land in trust acquired through exchange	450,559	450,559

Note 3 — Credit facilities and commitment lines

As of August 31, 2021 and February 28, 2022, JMF entered into credit facilities and committed lines of credit as follows:

(Thousands of yen)

	As of	
	August 31, 2021	February 28, 2022
Credit facilities		
Total amount of credit facilities	55,500,000	55,500,000
Borrowings drawn down	-	-
Unused credit facilities	55,500,000	55,500,000
Commitment lines		
Total amount of committed lines of credit	75,000,000	75,000,000
Borrowings drawn down	-	-
Unused committed lines of credit	75,000,000	75,000,000

Note 4 — Retirement of own investment units

JMF retired its own investment units as follows:

	As of	
	August 31, 2021	February 28, 2022
Total number of own investment units retired	64,715 units	64,715 units
Total amount of retirement (Thousands of yen)	11,999,843	11,999,843

Note 5 — Retained earnings for temporary difference adjustment

Movements of retained earnings for temporary difference adjustment are as follows:

For the six months ended August 31, 2021

(Thousands of yen)

	Initial amount	Balance at beginning of the period	Provision	Reversal	Balance at end of the period	Reason for provision or reversal
Reserve for dividends ⁽ⁱ⁾	3,138,254	2,918,039	-	(133,008)	2,785,030	Appropriation for dividends

For the six months ended February 28, 2022

(Thousands of yen)

	Initial amount	Balance at beginning of the period	Provision	Reversal	Balance at end of the period	Reason for provision or reversal
Reserve for dividends ⁽ⁱ⁾	3,138,254	2,785,030	-	(1,657,314)	1,127,716	Appropriation for dividends

Note:

(i) The retained earnings for temporary difference adjustment was transferred from reserve for dividends which was derived from negative goodwill and will be reversed in forthcoming periods by equal to or more than initial amount divided by 50 years.

Note 6 — Net assets

(1) Number of investment units

	As of	
	August 31, 2021	February 28, 2022
Authorized	16,000,000 units	16,000,000 units
Issued and outstanding	6,989,091 units	6,989,091 units

(2) JMF is required to maintain net assets of at least ¥50,000 thousand in accordance with the Act on Investment Trusts and Investment Corporations of Japan.

Note 7 — Analysis of rent and other operating revenues and property-related expenses

Rent and other operating revenues and property-related expenses for the six months ended August 31, 2021 and February 28, 2022 consist of the following:

	(Thousands of yen)	
	For the six months ended	
	August 31, 2021	February 28, 2022
Rent and other operating revenues:		
Rent revenue	33,669,333	33,623,569
Common area charges	1,741,395	1,763,523
Other	2,611,867	2,425,071
Total rent and other operating revenues	38,022,596	37,812,164
Property-related expenses:		
Property management fees	833,850	870,524
Facility management fees	2,353,158	2,396,196
Utilities	1,897,005	1,968,301
Property-related taxes	3,377,254	3,296,065
Repair and maintenance	884,901	572,244
Insurance	31,799	38,720
Trust fees	55,007	53,214
Rent expense	789,080	823,126
Other	843,361	927,648
Depreciation	6,148,948	6,023,361
Loss on disposal of property	24,898	25,712
Total property-related expenses	17,239,266	16,995,117
Operating income from property leasing activities	20,783,330	20,817,047

Note 8 — Analysis of gain on sales of property

Analysis of gain on sales of property is as follows:

	(Thousands of yen)	
	For the six months ended	
	August 31, 2021	February 28, 2022
Sale of property	19,554,250	24,045,000
Cost of property	17,115,604	21,353,258
Other sales expenses	331,422	159,441
Gain on sales of property, net	2,107,223	2,532,299

For the six months ended February 28, 2022, JMF sold G-Bldg. Minami Aoyama 01, G-Bldg. Shinjuku 01, G-Bldg. Ginza 01 (30% quasi-co-ownership) and Valor Kachigawa (Land with leasehold interest) (50% quasi-co-ownership). Disposal amounts of each property are not disclosed because the consent from the counter party has not been obtained.

Note 9 — Analysis of loss on sales of property

Analysis of loss on sales of property is as follows:

	(Thousands of yen)	
	For the six months ended	
	August 31, 2021	February 28, 2022
Sale of property	10,350,000	-
Cost of property	12,080,647	-
Other sales expenses	36,506	-
Loss on sales of property, net	(1,767,153)	-

Note 10 — Provision of retained earnings for temporary difference adjustment

JMF transferred all of remaining reserve for dividends amounting to ¥3,138,254,927 as of February 28, 2017 which was derived from negative goodwill to retained earnings for temporary difference adjustment by applying Article 3 of the Supplementary Provision of the Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015) in the statements of cash distributions for the six months ended February 28, 2017. The retained earnings for temporary difference adjustment are required to be reversed in or after the six months ended August 31, 2017 by equal to or more than initial amount divided by 50 years (equal to or more than ¥31,382,550 for each fiscal period).

JMF reversed ¥1,657,314,031 and ¥199,281,527 of retained earnings for temporary difference adjustment for the six months ended August 31, 2021 and February 28, 2022, respectively.

Note 11 — Cash and cash equivalents

Cash and cash equivalents shown in the statements of cash flows consist of the following:

	As of	
	August 31, 2021	February 28, 2022
Cash and bank deposits	64,815,529	38,840,649
Cash and bank deposits in trust	18,562,314	17,368,710
Restricted bank deposits in trust ⁽ⁱ⁾	(513,333)	(513,333)
Cash and cash equivalents	82,864,510	55,696,022

Note:

(i) The usage of the bank deposits in trust is restricted to repayments of tenant leasehold and security deposits.

Note 12 — Significant non-cash transactions**For the six months ended August 31, 2021**

The following table shows assets acquired and liabilities assumed by JMF through the merger with MCUBS MidCity Investment Corporation. Capital surplus was increased by ¥187,868,362 thousand by the merger.

	(Thousands of yen)
Current assets	16,721,908
Non-current assets	305,872,209
Total assets	322,594,117
Current liabilities	29,102,339
Non-current liabilities	121,672,617
Total liabilities	150,774,957

For the six months ended February 28, 2022

None

Note 13 — Leases**(a) Lease rental revenues**

JMF leases its properties to retail tenants. Future minimum rental revenues pursuant to existing rental contracts as of August 31, 2021 and February 28, 2022 (exclusive of the recovery of utility and other charges) scheduled to be received are summarized as follows:

	As of	
	August 31, 2021	February 28, 2022
Due within one year	19,519,227	17,637,391
Due after one year	68,449,795	65,351,984
Total	87,969,023	82,989,375

(b) Lease commitments

Finance lease transactions that do not transfer ownership of the leased property to the lessee, are capitalized and depreciated on a straight-line basis, assuming no residual value, over the lease term. Such capitalized leased properties are furniture and fixtures in trust.

Note 14 — Financial instruments

(a) Qualitative information for financial instruments

(i) Policy for financial instrument transactions

JMF raises funds through borrowings, issuance of investment corporation bonds, or issuance of investment units, for the purpose of the acquisition of real estate properties, payment of expenditures on property maintenance and/or repayment of existing debt. Surplus funds are managed carefully by investing in financial instruments that meet JMF's investment policy in terms of liquidity and safety in light of the current financial market conditions. Derivative transactions are carried out only for hedging purposes and not for the speculative purposes.

(ii) Nature and extent of risks arising from financial instruments and risk management

The funds raised through borrowings or issuance of investment corporation bonds are mainly used to acquire real estate properties or properties in trust, and for the repayment of existing borrowings or the redemption of investment corporation bonds. Although borrowings with floating interest rate are subject to fluctuations in market interest rates, JMF maintains an appropriate level of liabilities ratio in order to manage its exposure to the potential rise in market interest rates. In addition, a certain portion of long-term borrowings with floating interest rates is hedged by derivatives (interest rate swaps) as hedging instruments. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments and the hedged items. When the interest rate swaps meet specific criteria required for the special treatment provided under Japanese GAAP, the assessment of hedge effectiveness is not performed. In accordance with JMF's risk management policy and internal rules, JMF uses derivative instruments for the purpose of hedging risks that are prescribed in JMF's articles of incorporation.

Investment securities are investments in Tokumei Kumiai (silent partnership) agreements, investment limited partnership or private placement REIT. Although these investments are subject to fluctuations in real estate prices or interest rates, JMF regularly monitors the values of the investments and financial position of the issuers, etc.

Liquidity risks relating to borrowings and investment corporation bonds are managed by preparing monthly plans for funds, maintaining high liquidity and entering into credit facility agreements and commitment line agreements.

(iii) Supplemental information on fair value of financial instruments

The fair value of financial instruments is estimated using valuation techniques which contain various assumptions. If other valuation models or assumptions were used, the estimated value may differ. In addition, notional amounts relating to derivatives shown in "Note 16—Derivatives" do not, by themselves, represent the market risk exposure associated with the derivative transactions.

(b) Quantitative information for financial instruments

The following table shows the carrying amounts, fair value and valuation differences of financial instruments for which fair value is available as of August 31, 2021 and February 28, 2022. Information on cash and bank deposits, those in trust and short-term borrowings is omitted because the carrying amounts approximate their fair value due to their short maturities. Also, information on tenant leasehold and security deposits and those in trust is omitted as immaterial.

	As of August 31, 2021			As of February 28, 2022		
	Carrying amounts	Fair value	Difference	Carrying amounts	Fair value	Difference
(1) Investment securities						
Other investment securities	1,959,997	1,959,997	-	3,680,426	3,680,426	-
Total assets	1,959,997	1,959,997	-	3,680,426	3,680,426	-
(1) Current portion of long-term bonds issued - unsecured	6,000,000	5,995,820	(4,180)	6,000,000	5,998,850	(1,150)
(2) Current portion of long-term borrowings	52,900,000	52,936,197	36,197	47,200,000	47,223,988	23,988
(3) Long-term bonds issued - unsecured	53,500,000	53,987,320	487,320	58,500,000	58,760,335	260,335
(4) Long-term borrowings	426,275,000	427,744,282	1,469,282	431,975,000	432,466,457	491,457
Total liabilities	538,675,000	540,663,619	1,988,619	543,675,000	544,449,630	774,630
Derivatives (derivatives liabilities), net	(147,202)	(147,202)	-	53,695	53,695	-

Note (i): The methods and assumptions used to estimate fair value and the matters relating to derivatives are as follows:

Assets

(1) Investment securities

The fair value of investments in private placement REIT is based on net asset values, etc., provided by asset managers. For further information on the other investment securities, please refer to "Note 15—Securities".

Liabilities

(1) Current portion of long-term bonds issued - unsecured and (3) Long-term bonds issued - unsecured

The fair value is the quoted price provided by financial market information provider.

(2) Current portion of long-term borrowings and (4) Long-term borrowings

Long-term borrowings with floating interest rates are stated at their carrying amounts as their carrying amounts approximate their fair values. When long-term borrowings with floating interest rates are hedged by interest rate swaps which qualify for hedge accounting and meet special criteria, the fair value of the hedged long-term borrowing is determined based on the present value of contractual cash flows in conjunction with the hedging interest rate swaps discounted at current market interest rates which would be applicable to new borrowings under the same conditions and terms. For fair value of long-term borrowings with fixed interest rates, the fair value is determined based on the present value of contractual cash flows discounted at current market interest rates which would be applicable to new borrowings under the same conditions and terms.

Derivatives

Please refer to "Note 16—Derivatives".

Note (ii): Equity interests in silent partnership and investment limited partnership

For equity interests in silent partnership and investment limited partnership, notes relating to the matters stipulated in Paragraph 4, item 1 of the "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (Accounting Standards Board of Japan Guidance No.19 revised on March 31, 2020) are omitted as the Investment Corporation applies the treatment stipulated in Paragraph 27 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Accounting Standards Board of Japan Guidance No.31 issued on July 4, 2019).

The net book values of equity interests in silent partnership and investment limited partnership are ¥8,651,999 thousand and ¥9,434,726 thousand as of August 31, 2021 and February 28, 2022, respectively.

Note (iii): Cash flows schedule of interest-bearing financial liabilities after the balance sheet date

(Thousands of yen)						
As of August 31, 2021	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Long-term bonds issued - unsecured	6,000,000	8,000,000	14,500,000	7,000,000	9,500,000	14,500,000
Long-term borrowings	52,900,000	46,700,000	43,700,000	53,325,000	48,550,000	234,000,000
Total	58,900,000	54,700,000	58,200,000	60,325,000	58,050,000	248,500,000
As of February 28, 2022	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Long-term bonds issued - unsecured	6,000,000	15,500,000	14,000,000	-	14,500,000	14,500,000
Long-term borrowings	47,200,000	41,300,000	52,150,000	57,675,000	43,850,000	237,000,000
Total	53,200,000	56,800,000	66,150,000	57,675,000	58,350,000	251,500,000

Note 15 — Securities

As of August 31, 2021

Other investment securities:

(Thousands of yen)				
	Classification of securities	Carrying amounts	Acquisition cost	Difference
Securities of which the amount reported on the balance sheet exceed the acquisition cost	Other	1,959,997	1,894,913	65,083
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost	—	-	-	-
Total		1,959,997	1,894,913	65,083

As of February 28, 2022

Other investment securities:

(Thousands of yen)				
	Classification of securities	Carrying amounts	Acquisition cost	Difference
Securities of which the amount reported on the balance sheet exceed the acquisition cost	Other	3,680,426	3,575,061	105,365
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost	—	-	-	-
Total		3,680,426	3,575,061	105,365

Note:

Investment interests in silent partnership amounting to ¥8,651,999 thousand as of August 31, 2021 and February 28, 2022 and investment limited partnership amounting to ¥782,726 thousand as of February 28, 2022 are not included in the above information, because those are not traded in markets, and it is too difficult to estimate reasonable fair value.

Note 16 — Derivatives

Information on derivative transactions undertaken by JMF as of August 31, 2021 and February 28, 2022 is as follows. Derivative transactions are carried out for hedging purposes and are subject to hedge accounting.

As of August 31, 2021

(Thousands of yen)

Method of hedge accounting	Type of derivatives	Hedged item	Notional amounts		Fair value	Valuation method
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term borrowings	33,500,000	17,300,000	(147,202)	(ii)
Special treatment for hedge accounting of interest rate swaps ⁽ⁱ⁾	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term borrowings	84,500,000	66,500,000	- ⁽ⁱ⁾	-
Total			118,000,000	83,800,000	⁽ⁱ⁾ (147,202)	-

As of February 28, 2022

(Thousands of yen)

Method of hedge accounting	Type of derivatives	Hedged item	Notional amounts		Fair value	Valuation method
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term borrowings	28,500,000	17,300,000	53,695	(ii)
Special treatment for hedge accounting of interest rate swaps ⁽ⁱ⁾	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term borrowings	73,500,000	54,000,000	- ⁽ⁱ⁾	-
Total			102,000,000	71,300,000	⁽ⁱ⁾ 53,695	-

Note:

- (i) As disclosed in “(7) Summary of significant accounting policies (j) Hedge accounting”, JMF applies the special treatment provided under Japanese GAAP for the interest rate swaps which qualify for hedge accounting and meet specific criteria, under which only the interest received or paid under swap contracts, and not the fair value of the derivative, is determined separately from the hedged asset or liability. Consequently, the fair value of the interest rate swaps as the hedging instrument and the long-term borrowings as hedged item is calculated together as one and disclosed as such under Note (i) in “Note 14—Financial instruments (b) Quantitative information for financial instruments”.
- (ii) The fair value is evaluated at the amount calculated by the counterparty to the interest rate swaps contracts.

Note 17 — Related-party transaction

There was no related-party transaction to be disclosed for the six months ended August 31, 2021 and February 28, 2022.

Note 18 — Tax effect accounting

Deferred tax assets and liabilities consist of the following:

(Thousands of yen)

	As of	
	August 31, 2021	February 28, 2022
Deferred tax assets:		
Asset retirement obligations	246,495	247,724
Amortization of leasehold rights	165,300	175,137
Depreciation	18,406	19,333
Valuation differences on assets acquired through merger	10,860,118	10,754,079
Deferred losses on hedges	46,310	4,246
Other	38,218	62,706
Sub total	11,374,849	11,263,228
Total valuation allowance	(11,374,849)	(11,263,228)
Total deferred tax assets	-	-
Net deferred tax assets	-	-

Reconciliation of significant differences between the normal effective statutory tax rate and the actual effective tax rate after application of tax effect accounting:

(%)

	For the six months ended	
	August 31, 2021	February 28, 2022
Statutory tax rate	31.46	31.46
Deductible cash distributions	(32.80)	(29.66)
Change in valuation allowance (for deferred tax assets)	(1.36)	(0.41)
Amortization of goodwill	0.93	0.75
Reversal of retained earnings for reduction entry of property	1.79	-
Provision of reserve for reduction entry of property	-	(2.16)
Other	(0.01)	0.03
Effective tax rate	0.00	0.00

Note 19 — Asset retirement obligations

JMF has an obligation under a fixed-term leasehold agreement to restore its leased land, which represents a portion of the land where DFST GALLERIA OKINAWA, owned by JMF, is located, upon the termination of the agreement, and contractual or legal obligations to remove asbestos contained in the buildings of KAWASAKI Le FRONT, JMF Jingumae 02 and Twin 21. Based on the lease period per the agreement or the useful life of each building containing asbestos, the estimated period of use of the properties are estimated at 9 years, 24 years, 22 years and 30 years, respectively. The asset retirement obligations for the restoration or removal of asbestos are recognized as a liability using discount rates at 0.458%, 1.584%, 0.596% and 0.691%, respectively.

Movements of asset retirement obligations for the six months ended August 31, 2021 and February 28, 2022 are as follows:

(Thousands of yen)

	For the six months ended	
	August 31, 2021	February 28, 2022
Balance at the beginning of the period	549,506	783,521
Increase due to acquisition of properties	230,596	-
Adjustment for passage of time	3,418	3,904
Balance at the end of the period	783,521	787,426

Note 20 — Fair value of investment and rental property

JMF has mainly retail properties, office buildings, residences, hotels and mixed-use properties as investment assets which are located mainly in three major metropolitan areas and other metropolitan areas in Japan. The following table shows the net book value and the fair value of the investment and rental properties in the aggregate for the six months ended August 31, 2021 and February 28, 2022.

	(Thousands of yen)	
	For the six months ended	
	August 31, 2021	February 28, 2022
Net book value⁽ⁱ⁾		
Balance at the beginning of the period	824,751,456	1,119,816,471
Net increase (decrease) during the period ⁽ⁱⁱ⁾	295,065,014	36,473,360
Balance at the end of the period	1,119,816,471	1,156,289,831
Fair value⁽ⁱⁱⁱ⁾	1,280,820,000	1,308,995,000

Note:

(i) The net book value includes leasehold rights and other intangible assets.

(ii) Changes in the net book value are mainly due to the following transactions (except for depreciation):

	Increase (decrease) in net book value
	(Thousands of yen)
For the six months ended August 31, 2021:	
Acquisitions:	
25 properties, etc., succeeded from MMI by the merger.....	297,210,000
JMF-Bldg. Ichigaya 01.....	21,181,892
G-Bldg. Shinsaibashi 05.....	9,113,759
Capital expenditure:	
Total of capital expenditures for the period.....	2,618,672
Dispositions:	
Ito-Yokado Yotsuka-ido.....	(12,080,647)
AEON Takatsuki.....	(9,715,203)
AEON MALL Yamato (50% quasi-co-ownership).....	(7,400,400)
For the six months ended February 28, 2022:	
Acquisitions:	
JMF-Bldg. Akasaka 02.....	44,063,818
JMF-Bldg. Hiroo 01.....	10,102,516
JMF-Bldg. Funabashi 01.....	5,173,708
JMF-Residence Chihaya (50% quasi-co-ownership).....	1,717,001
Capital expenditure:	
Total of capital expenditures for the period.....	2,778,784
Dispositions:	
G-Bldg. Minami Aoyama 01.....	(9,999,909)
G-Bldg. Shinjuku 01.....	(6,488,255)
Valor Kachigawa (Land with leasehold interest) (50% quasi-co-ownership).....	(3,205,808)
G-Bldg. Ginza 01 (30% quasi-co-ownership).....	(1,659,284)

(iii) Fair value has been determined based on appraisals or researched value by independent appraisers. For G-Bldg. Ginza 01 (70% quasi-co-ownership as of February 28, 2022) and Summit Store Nakano Minamidai signed disposition contract on November 30, 2021, the selling prices are used.

For rent revenues and expenses for the six months ended August 31, 2021 and February 28, 2022, please refer to “Note 7 — Analysis for rent and other operating revenues and property-related expenses”.

Note 21 — Revenue recognition

(a) Information on the breakdown of revenue from contracts with customers

For the six months ended February 28, 2022:

(Thousands of yen)

	Revenue from contracts with customers ⁽ⁱ⁾	Sales to external customers
Sales of property ⁽ⁱⁱ⁾	(iii)	2,532,299
Common area charges	1,763,523	1,763,523
Others	-	36,302,714
Total	(iii)	40,598,537

Note:

- (i) Lease rental revenues subject to the “Accounting Standard for Lease Transactions” (Accounting Standards Board of Japan Statement No.13) and sale of property subject to the “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies” (Accounting Practice Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are excluded from “Revenue from contracts with customers” as such revenues are not subject to Accounting Standard for Revenue Recognition. Revenue from contracts with customers mainly represents revenues from sales of property and common area charges.
- (ii) Sales of property are recorded as gain (loss) on sales of property in the statements of Income and retained earnings pursuant to Article 48, Paragraph 2 of the Regulations on Accounting of Investment Corporations (Cabinet Office Order No. 47 of 2006). Accordingly, the sales to external customers shows the amount obtained by deducting cost of sales of property and other sales expenses proceeds from sales of property.
- (iii) For sales of property, revenue from contracts with customers are not disclosed because the consent from the counter party has not been obtained.

(b) Information utilized as the base for understanding revenue from contracts with customers

The information is as disclosed in “(7) Summary of significant accounting policies (h) Revenue recognition”.

(c) Information to understand amounts of revenues for the last fiscal period and future fiscal periods

(1) Balance of contract assets and contract liabilities, etc.

(Thousands of yen)

	For the six months ended February 28, 2022
Receivables generated from contracts with customers (balance at beginning of fiscal period)	420,828
Receivables generated from contracts with customers (balance at end of fiscal period)	345,065
Contract assets (balance at beginning of fiscal period)	-
Contract assets (balance at end of fiscal period)	-
Contract liabilities (balance at beginning of fiscal period)	-
Contract liabilities (balance at end of fiscal period)	-

(2) Transaction value allocated to remaining performance obligations

For the six months ended February 28, 2022:

With respect to sale of property, selling prices of each property sold are not disclosed because the consent from the counterparty has not been obtained. On November 30, 2021, JMF signed disposition contract of properties (G-Bldg. Ginza 01, G-Bldg. Shinjuku 01 and Summit Store Nakano Minamidai) for ¥20,820 million in total. G-Bldg. Ginza 01 (30% quasi-co-ownership of which) and G-Bldg. Shinjuku 01 were transferred to the purchaser by the end of the fiscal period.

With regard to common area charges, as JMF has the right to receive from customers an amount directly corresponding to the value for the lessees, who are customers, of sections for which performance is complete by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, such is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

Note 22 — Segment information

Segment information for the six months ended August 31, 2021 and February 28, 2022 is as follows:

(a) Operating segment information

Disclosure is omitted as JMF is comprised of a single reportable segment engaged in the property rental business.

(b) Enterprise-wide disclosures*(i) Information about products and services*

Disclosure is not required as revenues from external customers for the single segment is in excess of 90% of total revenues.

*(ii) Information about geographic areas**Revenues from overseas customers:*

Disclosure is not required as revenues from external customers attributed to Japan are in excess of 90% of total revenues.

Tangible fixed assets:

Disclosure is not required as tangible fixed assets located in Japan are in excess of 90% of total tangible fixed assets.

(c) Information about major customers

Disclosure is not required as there are no customers of which revenues are in excess of 10% of total revenues.

Note 23 — Per unit information

The net asset value per unit as of August 31, 2021 and February 28, 2022 was ¥89,234 and ¥89,404, respectively. Net income per unit for the six months ended August 31, 2021 and February 28, 2022 was ¥1,938 and ¥2,421, respectively.

Net income per unit is calculated by dividing the net income attributable to unitholders by the weighted-average number of investment units outstanding during the six months period.

Diluted net income per unit is not disclosed because dilutive potential investment units are not issued.

A basis of calculation of net income per unit is as follows:

	(Thousands of yen)	
	For the six months ended	
	August 31, 2021	February 28, 2022
Net income	13,549,190	16,924,222
Amounts not attributable to common unitholders	-	-
Net income attributable to common unitholders	13,549,190	16,924,222
Weighted-average number of investment units outstanding for the period	6,989,091 units	6,989,091 units

Note 24 — Subsequent events

Disposition of properties

JMF disposed the following property on March 1, 2022.

<i>Property name:</i>	G-Bldg. Ginza 01 (30% of quasi-co-ownership in trust beneficiary interest) Summit Store Nakano Minamidai (trust beneficiary interest)
<i>Disposition amount:</i>	Not disclosed ⁽ⁱ⁾
<i>Completion date of contract:</i>	November 30, 2021
<i>Disposition date:</i>	March 1, 2022
<i>Purchaser:</i>	Hulic Co., Ltd.

Note:

- (i) The breakdown of the disposition amount is not disclosed because the consent from the purchaser has not been obtained. On November 30, 2021, JMF signed disposition contract of properties (G-Bldg. Ginza 01, G-Bldg. Shinjuku 01 and Summit Store Nakano Minamidai) for ¥20,820 million in total. G-Bldg. Ginza 01 (30% quasi-co-ownership of which) and G-Bldg. Shinjuku 01 were transferred to the purchaser by the end of the fiscal period.
- (ii) Gains on sales of property of approximately ¥1,817 million will be recognized in profit as operating revenues for the six months ending August 31, 2022.

(Additional information)

Disposition of properties

JMF entered into a sale agreement of the following property on November 30, 2021.

<i>Property name:</i>	G-Bldg. Ginza 01 (40% of quasi-co-ownership in trust beneficiary interest)
<i>Disposition amount:</i>	Not disclosed ⁽ⁱ⁾
<i>Completion date of contract:</i>	November 30, 2021
<i>Disposition date:</i>	September 1, 2022
<i>Purchaser:</i>	Hulic Co., Ltd.

Note:

- (i) The breakdown of the disposition amount is not disclosed because the consent from the purchaser has not been obtained. On November 30, 2021, JMF signed disposition contract of properties (G-Bldg. Ginza 01, G-Bldg. Shinjuku 01 and Summit Store Nakano Minamidai) for ¥20,820 million in total. G-Bldg. Ginza 01 (30% quasi-co-ownership of which) and G-Bldg. Shinjuku 01 were transferred to the purchaser by the end of the fiscal period.
- (ii) Gains on sales of property of approximately ¥1,355 million will be recognized in profit as operating revenues for the six months ending February 28, 2023.

Note 25 — Business combination

For the six months ended August 31, 2021:

1. Outline of business combination

(1) Name and business of the acquiree

Name: MCUBS MidCity Investment Corporation
Business: To invest mainly specified asset under the Law Concerning Investment Trusts

(2) Primary reason for business combination

JMF and MMI entered into the merger agreement on August 28, 2020, in order to lead to further stability and growth potential owing to increased presence in the J-REIT Market realized by the expanded asset size and to the diversified purposes of use of investment target assets realized by conversion to a diversified REIT.

(3) Date of business combination

March 1, 2021

(4) Type of the business combination

The business combination was an absorption-type merger with JMF as the surviving corporation and MMI was dissolved.

(5) Name of the combined entity after the business combination

Japan Metropolitan Fund Investment Corporation (JMF has changed its trade name from Japan Retail Fund Investment Corporation on March 1, 2021)

(6) Basis for identifying the acquirer

JMF was identified as the acquirer in accordance with the accounting standard for business combinations, comprehensively considering the relative voting rights of the unitholders as a group in the combined entity after the business combination, the composition of the governing body of the combined entity and other factors.

2. Reporting period of the acquiree included in the financial information of the combined entity

From March 1, 2021 to August 31, 2021

3. Acquisition cost of the acquiree and breakdown by type of consideration

(Thousands of yen)	
<i>Consideration transferred:</i>	
Aggregate market value of the investment units of JMF issued on the date of the business combination	187,868,362
<u>Total of acquisition cost</u>	<u>187,868,362</u>

4. Merger ratio, calculation of the merger ratio and number of investment units issued

(1) The merger ratio

JMF allocated one investment unit of JMF to one investment unit of MMI. The Investment Corporation executed a two-for-one unit split with February 28, 2021 as the record date for the unit split and March 1, 2021 as the effective date.

(2) Calculation of the merger ratio

In order to support the fairness of the calculation of the merger ratio for the merger, JMF appointed Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and MMI appointed SMBC Nikko Securities Inc., respectively, as their financial advisors to perform financial analyses regarding the merger ratio.

(3) Units issued for the merger

1,784,125 units

5. Details of major acquisition-related costs

Merger fees: ¥1,000,000 thousand

6. Goodwill resulting from the merger

(1) Amount of goodwill

¥16,049,201 thousand

(2) Reason why the merger resulted in goodwill

The goodwill occurred because the acquisition cost amounting to ¥187,868,362 thousand exceeded the net assets value at the date of business combination amounting to ¥171,819,160 thousand.

(3) Amortization method and amortization period

Goodwill is amortized by the straight-line method over 20 years.

7. Assets acquired and liabilities assumed at the date of business combination

(Thousands of yen)	
Current assets	16,721,908
Non-current assets	305,872,209
<u>Total assets</u>	<u>322,594,117</u>
Current liabilities	29,102,339
Non-current liabilities	121,672,617
<u>Total liabilities</u>	<u>150,774,957</u>

8. Estimated effect of the business combination on the statement of income, provided that the business combination was completed at the beginning of the current reporting period

No impact because the business combination date was the beginning of the current reporting period.

For the six months ended February 28, 2022:

None

(10) Changes in investment unit issued and outstanding

The changes in unitholders' capital and number of investment units issued and outstanding for last five years until February 28, 2022 were as follows:

Date	Capital transaction	Number of investment units issued and outstanding		Unitholders' capital (Millions of yen)		Note
		Increase	Balance	Increase	Balance	
March 14, 2017	Global offering	112,500	2,664,698	24,143	411,341	Note 1
March 29, 2017	Allocation of investment units to a third party	2,500	2,667,198	536	411,878	Note 2
February 9, 2018	Retirement	(49,181)	2,618,017	-	411,878	Note 3
August 18, 2020	Retirement	(15,534)	2,602,483	-	411,878	Note 4
March 1, 2021	Split of investment units	2,602,483	5,204,966	-	411,878	Note 5
March 1, 2021	Allocation of investment units through merger	1,784,125	6,989,091	-	411,878	Note 6

Note 1 New investment units were issued at a price of ¥221,382 per unit (subscription price of ¥214,605 per unit) through a public offering in order to raise funds for acquiring new real property.

Note 2 New investment units were issued at a price of ¥214,605 per unit through the allocation of investment units to a third party in order to raise funds for acquiring of new real property (remaining proceeds, if any, will be reserved for an acquisition of specified assets in the future).

Note 3 JMF acquired its own investment units at Tokyo Stock Exchange Market based on a discretionary transaction contract with a securities company from October 17, 2017 to January 23, 2018 and retired all of its own investment units on February 9, 2018 according to a resolution of the Board of Directors held on January 26, 2018. As the acquisition cost of its own investment units was deducted from capital surplus, there was no change in unitholders' capital.

Note 4 JMF acquired its own investment units at Tokyo Stock Exchange Market based on a discretionary transaction contract with a securities company from April 14, 2020 to June 5, 2020 and retired all of its own investment units on August 18, 2020 according to a resolution of the Board of Directors held on August 7, 2020. As the acquisition cost of its own investment units was deducted from capital surplus, there was no change in unitholders' capital.

Note 5 JMF implemented a split of its investment units on a two-for-one basis with February 28, 2021 as the record date and March 1, 2021 as the effective date for the unit split.

Note 6 JMF issued 1,784,125 of new investment units and allocated one investment unit after the unit split for each of all the outstanding investment units of MMI in the merger on March 1, 2021.

3. Additional information

(1) Composition of assets

Classification of Assets	Region		As of August 31, 2021		As of February 28, 2022	
			Total of net book value (Note 1) (Millions of yen)	Composition ratio (%)	Total of net book value (Note 1) (Millions of yen)	Composition ratio (%)
Real property	Retail facilities	Tokyo metropolitan area	13,522	1.1	13,507	1.1
		Osaka and Nagoya metropolitan areas	6,886	0.5	6,880	0.6
		Other areas	4,440	0.4	4,432	0.4
		Sub-total	24,848	2.0	24,820	2.0
	Mixed-use	Tokyo metropolitan area	5,336	0.4	5,318	0.4
		Sub-total	5,336	0.4	5,318	0.4
	Total of real property		30,185	2.4	30,138	2.4
Trust beneficial interest in real property	Retail facilities	Tokyo metropolitan area	342,152	27.7	323,163	25.9
		Osaka and Nagoya metropolitan areas	312,009	25.2	307,183	24.6
		Other areas	76,580	6.2	70,973	5.7
		Sub-total	730,742	59.1	701,320	56.2
	Office Building	Tokyo metropolitan area	157,109	12.7	201,274	16.1
		Osaka and Nagoya metropolitan areas	20,986	1.7	20,921	1.7
		Other areas	6,795	0.6	6,802	0.5
		Sub-total	184,892	15.0	228,998	18.4
	Residence	Other areas	-	-	1,715	0.1
		Sub-total	-	-	1,715	0.1
	Hotel	Tokyo metropolitan area	7,979	0.6	7,959	0.6
		Other areas	4,425	0.4	4,410	0.4
		Sub-total	12,404	1.0	12,369	1.0
	Mixed-use	Tokyo metropolitan area	86,315	7.0	101,402	8.1
		Osaka and Nagoya metropolitan areas	75,275	6.1	75,382	6.0
		Other areas	-	-	4,960	0.4
		Sub-total	161,591	13.1	181,746	14.6
	Total of trust beneficial interest in real property		1,089,630	88.2	1,126,151	90.3
	Sub-total		1,119,816	90.6	1,156,289	92.7
	Investment securities (Note 2)		10,611	0.9	13,115	1.1
Bank deposits and other assets		105,292	8.5	78,034	6.3	
Total assets		1,235,720	100.0	1,247,439	100.0	
Total liabilities (Note 3)		612,049	49.5	622,580	49.9	
Total net assets		623,671	50.5	624,859	50.1	

Note 1 Total of net book value is carrying amounts on the balance sheets (amounts of Real property and Trust beneficial interest in real property are book values net of depreciation) at the end of the fiscal period.

Note 2 Investment securities are equity interest of Tokumei Kumiai agreement managed by R40 Godo Kaisha (40% of its equity interest), investment units of Nisshin Private Residential Reit, Inc. (17.1% of total issued investment units) and equity interest of DREAM Mezzanine Debt Separate3 Investment Limited Partnership (49.4% of its equity interest).

Note 3 Total liabilities include tenant leasehold and security deposits and those in trust.

(2) Outline of portfolio properties

The principal properties (top ten properties in net book value) as of February 28, 2022 were as follows:

Name of property	Net book value (Millions of yen)	Leasable area	Leased area	Occupancy ratio	Ratio of rent revenue to total rent revenues	Major use
		(Note 1) (m ²)	(Note 2) (m ²)	(Note 3) (%)	(Note 3) (%)	
Twin 21 (Note 6) (trust beneficial interest)	60,144	82,295.71	79,768.67	96.9	6.2	Mixed-use
mozo wonder city (Note 4) (trust beneficial interest)	50,246	86,526.78	79,584.33	92.0	8.3	Retail facilities
JMF-Bldg. Akasaka 02 (Note 6) (trust beneficial interest)	44,030	12,202.96	9,094.12	74.5	0.9	Office Building
Higashi-Totsuka Aurora City (trust beneficial interest)	43,501	109,355.90	109,355.90	100.0	3.3	Retail facilities
KAWASAKI Le FRONT (trust beneficial interest)	34,297	49,223.77	49,223.77	100.0	4.9	Mixed-use
Nara Family (Note 4) (trust beneficial interest)	33,539	82,927.88	82,121.19	99.0	4.7	Retail facilities
G-Bldg. Shinsaibashi 03 (trust beneficial interest)	30,182	5,319.29	242.39	4.6	Note 5	Retail facilities
AEON MALL T sudanuma (trust beneficial interest)	28,433	101,210.44	101,210.44	100.0	1.9	Retail facilities
AEON MALL Musashi Murayama (trust beneficial interest)	24,042	137,466.97	137,466.97	100.0	2.4	Retail facilities
JMF-Bldg. Yokohama Bashamichi 01 (Note 6) (trust beneficial interest)	23,962	25,140.94	25,140.94	100.0	1.8	Office Building
Total	372,381	691,670.64	673,208.72	97.3	-	

Note 1 Regardless the share of co-ownership or quasi-co-ownership, "Leasable area" means the total area of the building or land with leasehold interest of each property leasable as stores, offices, etc. indicated in the lease agreement or the plan of such property and it does not include the leasable area of warehouses and land (flat parking lots).

Note 2 Regardless the share of co-ownership or quasi-co-ownership, "Leased area" means the total leased area of the building or land with leasehold interest of each property used as stores, offices, etc. indicated in the lease agreement and it does not include the leased area of warehouses and land (flat parking lots).

Note 3 "Occupancy ratio" (percentage of leased area against the leasable area at the end of accounting period) and "Ratio of rent revenue to total rent revenues" are calculated by rounding to the nearest first decimal place.

Note 4 "Leasable area" and "Leased area" for the property which is leased partially in the form of a pass-through master lease is presented on an end-tenant basis.

Note 5 "Ratio of rent revenue to total rent revenues" of the property is not disclosed because the consent from the tenant has not been obtained.

Note 6 "Leasable area" and "Occupancy ratio" for the property which is leased in the form of a pass-through master lease is presented on an end-tenant basis.

Retail properties, office buildings, residences, hotels and mixed-use properties as of February 28, 2022 were as follows:

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
10001	Abiko Shopping Plaza	11-1, Abiko 4-chome, Abiko-shi, Chiba	Trust beneficial interest	41,453.36	12,900	9,424
10002	G-Bldg. Minami Aoyama 02	8-5, Minami Aoyama 5-chome, Minato-ku, Tokyo	Trust beneficial interest	1,529.15	5,190	5,171
10003	Ito-Yokado Yabashira	15-8, Higurashi 1-chome, Matsudo-shi, Chiba, etc.	Trust beneficial interest	21,308.78	1,880	1,233
10004	G-Bldg. Daikanyama 01	35-17, Ebisu-Nishi 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	599.79	1,590	1,186
10005	GYRE	10-1, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,824.67	28,100	21,866
10006	Ito-Yokado Tsunashima	8-1, Tsunashima-Nishi 2-chome, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	16,549.50	5,160	4,418
10007	Bic Camera Tachikawa	12-2, Akebonocho 2-chome, Tachikawa-shi, Tokyo, etc.	Trust beneficial interest	20,983.43	22,700	13,271
10008	AEON Itabashi Shopping Center	6-1, Tokumaru 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	72,748.34	12,900	10,345
10009	G-Bldg. Kita Aoyama 01	14-8, Kita-Aoyama 3-chome, Minato-ku, Tokyo	Trust beneficial interest	492.69	1,640	911
10011	SEIYU Hibarigaoka	9-8, Sumiyoshi 3-chome, Nishi-Tokyo-shi, Tokyo	Trust beneficial interest	19,070.88	8,400	4,417
10012	JMF-Bldg. Jiyugaoka 01	9-17, Jiyugaoka 2-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	2,043.68	5,090	2,706
10013	Cheers Ginza	9-5, Ginza 5-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,686.58	4,320	3,857
10014	Higashi-Totsuka Aurora City	537-1, Shinanocho, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	109,355.90	43,400	43,501
10016	G-Bldg. Jingumae 06	28-3, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	670.42	2,960	2,332
10017	G-Bldg. Jingumae 01	21-5, Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	555.75	4,610	3,369
10018	G-Bldg. Jingumae 02	9-9, Jingumae 4-chome, Shibuya-ku, Tokyo	Trust beneficial interest	426.29	1,720	2,256
10020	AEON MALL Musashi Murayama	1-3, Enoki 1-chome, Musashimurayama-shi, Tokyo	Trust beneficial interest	137,466.97	31,200	24,042
10021	La Porte Aoyama (Note 5)	51-8, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,158.53	10,900	9,143
10023	JMF-Bldg. Jingumae 01	30-12, Jingumae 3-chome, Shibuya-ku, Tokyo	Real property	1,676.87	4,010	5,318
10024	G-Bldg. Minami-Ikebukuro 01 (Note 5)	19-5, Minami Ikebukuro 1-chome, Toshima-ku, Tokyo	Trust beneficial interest	5,066.06	8,440	5,907
10025	Makuhari Plaza	7701, Makuharicho 2-chome, Hanamigawa-ku, Chiba-shi, Chiba	Trust beneficial interest	24,505.37	6,830	5,307
10026	Urban Terrace Jingumae	47-6, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,719.19	5,250	2,666
10027	Round 1 Machida	13-14, Morino 1-chome, Machida-shi, Tokyo	Trust beneficial interest	6,801.89	3,400	2,252
10028	Round 1 Stadium Itabashi	16-13, Aioicho, Itabashi-ku, Tokyo	Trust beneficial interest	14,828.74	3,390	2,100
10029	Arkangel Daikanyama (Land with leasehold interest)	111-14, Aobadai 1-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	904.04	1,630	1,012
10030	G-Bldg. Omotesando 01	1-9, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	1,508.03	8,610	5,775

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
10031	Round1 Yokohama Station West	8-16, Minamisaiwai 2-chome, Nishi-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	6,560.09	5,500	3,701
10032	G-Bldg. Sangenjaya 01	15-4, Taishido 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	3,471.52	6,450	3,628
10033	G-Bldg. Ginza 01	5-1, Ginza 6-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,610.54	6,300	3,870
10034	Summit Store Nakano Minamidai	26-2, Minamidai 5-chome, Nakano-ku, Tokyo	Trust beneficial interest	3,536.50	3,940	2,998
10035	Colline Bajikouen	4-18, Kamiyoga 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	5,368.02	4,260	3,196
10036	KAWASAKI Le FRONT	1-11, Nissincho, Kawasaki-ku, Kawasaki-shi, Kanagawa, etc.	Trust beneficial interest	49,223.77	41,200	34,297
10037	JMF-Bldg. Shibuya 01	20-13, Jinnan1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,630.03	4,920	3,074
10038	G-Bldg. Omotesando 02	25-15, Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	5,555.65	22,000	17,762
10039	G-Bldg. Kichijoji 01	12-12, Kichijoji Honcho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	1,718.21	4,040	3,530
10040	CUTE CUBE HARAJUKU	7-1, Jingumae 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,428.55	10,400	8,458
10041	G-Bldg. Ueno 01	9-14, Ueno 4-chome, Taito-ku, Tokyo	Trust beneficial interest	1,471.80	3,870	3,416
10042	JMF-Bldg. Takadanobaba 01	13-2, Takadanobaba 2-chome, Shinjuku-ku, Tokyo	Trust beneficial interest	3,569.20	7,290	6,023
10043	G-Bldg. Akihabara 01	11-11, Sotokanda 1-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	2,701.99	7,790	5,090
10044	G-Bldg. Akihabara 02	113, Kanda Matsunaga-cho, Chiyoda-ku, Tokyo, etc.	Trust beneficial interest	1,037.33	2,980	2,468
10045	G-Bldg. Kichijoji 02	3-13, Kichijoji Minamicho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	8,838.79	17,000	15,065
10046	JMF-Bldg. Ginza Chuo-Dori 01	6-16, Ginza 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	3,141.07	13,300	12,966
10047	MARINE & WALK YOKOHAMA	3-1, Shinko 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	8,347.70	10,800	10,703
10048	G-Bldg. Jingumae 07	26-4 Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	373.12	2,130	2,029
10049	G-Bldg. Minami Aoyama 03 (Note 5)	2-12, Minami Aoyama 5-chome, Minato-ku, Tokyo, etc.	Trust beneficial interest	1,373.46	12,100	12,287
10050	JMF-Bldg. Jingumae 02	25-5 Jingumae 3-chome, Shibuya-ku, Tokyo	Trust beneficial interest	802.40	2,280	2,628
10051	Round1 Stadium Kawasaki Daishi	5-1, Tonomachi 1-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	13,559.17	2,920	2,382
10052	m-city Kashiwa	10 Oyamadai 1-chome, Kashiwa-shi, Chiba, etc.	Trust beneficial interest	20,437.36	6,000	5,714
10053	G-Bldg. Jingumae 09	25-28 Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	1,127.08	7,340	7,092
10054	Machinoma Omori	1-38, Omorinishi 3-chome, Ota-ku, Tokyo	Trust beneficial interest	9,107.14	9,510	9,064
10055	JMF-Bldg. Daikanyama 01	20-20, Daikanyamacho, Shibuya-ku, Tokyo	Trust beneficial interest	2,151.31	3,970	3,247
10056	AEON MALL Tsudanuma	23-1 Tsudanuma 1-chome, Narashino-shi, Chiba	Trust beneficial interest	101,210.44	28,500	28,433
10057	JMF-Bldg. Yokohama Bashamichi 01 (Note 5)	50-1, Honmachi 6-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	25,140.94	24,300	23,962

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
10058	JMF-Bldg. Kawasaki 01 (Note 5)	1-14 Nishin-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	24,485.71	23,700	23,686
10059	JMF-Bldg. Shibuya 02 (Note 5)	31-15, Sakuragaokacho, Shibuya-ku, Tokyo	Trust beneficial interest	6,379.66	18,900	19,560
10060	JMF-Bldg. Shibuya 03 (Note 5)	11-1 Dogenzaka 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	5,048.36	17,100	16,962
10061	JMF-Bldg. Toyoko 01 (Note 5)	11-38 Toyo 4-chome, Koto-ku, Tokyo	Trust beneficial interest	12,487.73	10,600	11,290
10062	OMO3 Tokyo Akasaka (Notes 5 and 8)	3-2, Akasaka 4-chome, Minato-ku, Tokyo	Trust beneficial interest	4,236.46	8,010	7,959
10063	JMF-Bldg. Nihombashi Hamacho 01 (Note 5)	12-4, Nihombashi Hamacho 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	6,123.81	10,400	10,391
10064	JMF-Bldg. Toyoko 02 (Note 5)	6-35, Shinsuna 1-chome, Koto-ku, Tokyo	Trust beneficial interest	11,863.87	8,020	9,661
10065	JMF-Bldg. Sasazuka 01 (Note 5)	1-6 Sasazuka 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	8,240.30	9,240	9,116
10066	JMF-Bldg. Ueno 01 (Note 5)	24-8, Higashiueno 5-chome, Taito-ku, Tokyo	Trust beneficial interest	6,858.16	8,710	8,636
10067	JMF-Bldg. Yokohama 01 (Note 5)	5-1 Sakae-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	12,721.25	8,320	8,231
10068	JMF-Bldg. Akasaka 01 (Note 5)	11-28, Akasaka 1-chome, Minato-ku, Tokyo	Trust beneficial interest	2,544.21	4,740	4,495
10069	JMF-Bldg. Kanda01 (Note 5)	1-15, Iwamotocho 2-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	3,149.39	4,250	4,305
10070	JMF-Bldg. Edogawabashi 01 (Note 5)	44-10, Sekiguchi 1-chome, Bunkyo-ku, Tokyo	Trust beneficial interest	3,434.93	3,640	3,735
10071	JMF-Bldg. Higashi Nihombashi 01 (Note 5)	8-3 Higashi-Nihombashi 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	3,254.77	3,360	3,207
10072	JMF-Bldg. Ichigaya 01 (Note 6)	2-1 Kudankita 4-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	10,372.26	22,100	21,198
10073	JMF-Bldg. Hiroo 01 (Note 6)	1-11 Minamiazabu 5-chome, Minato-ku, Tokyo	Trust beneficial interest	4,212.41	10,200	10,095
10074	JMF-Bldg. Funabashi 01	44-35 Honcho 4-chome, Funabashi-shi, Chiba	Trust beneficial interest	2,865.76	5,420	5,164
10075	JMF-Bldg. Akasaka 02 (Note 5)	3-5 Akasaka 2-chome, Minato-ku, Tokyo	Trust beneficial interest	12,202.96	45,000	44,030
20002	Kyoto Family	1-1, Ikejiricho, Yamanouchi, Ukyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	19,639.09	5,410	5,778
20003	Kawaramachi OPA	385, Komeyacho, Shijo-agaru, Kawaramachidori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	18,848.20	14,400	17,818
20004	AEON MALL Tsurumi Ryokuchi	17-1, Tsurumi 4-chome, Tsurumi-ku, Osaka-shi, Osaka	Trust beneficial interest	138,538.63	26,700	22,473
20005	AEON MALL Itami	1-1, Fujinoki 1-chome, Itami-shi, Hyogo	Trust beneficial interest	157,904.26	18,800	18,157
20006	Ario Otori	199-12, Otori Minami-cho 3-cho, Nishi-ku, Sakai-shi, Osaka, etc.	Trust beneficial interest	95,135.36	14,200	13,509
20007	AEON MALL Kobe Kita	1-1, Kouzudai 8-chome, Kita-ku, Kobe-shi, Hyogo	Trust beneficial interest	128,050.62	12,110	8,135
20008	LIFE Kishibe (Land with leasehold interest)	2205-15, Hara-cho 4-chome, Suita-shi, Osaka, etc.	Real property	5,516.61	1,930	1,942
20009	LIFE Shimodera (Land with leasehold interest)	5-23, Shimodera 2-chome, Naniwa-ku, Osaka-shi, Osaka, etc.	Real property	4,344.18	2,060	1,717
20010	LIFE Taiheiji (Land with leasehold interest)	43-6, Taiheiji 2-chome, Higashi Osaka-shi, Osaka	Real property	3,898.01	1,170	1,304

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
20011	G-Bldg. Shinsaibashi 01	5-3, Sinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	966.52	3,270	1,586
20012	Round1 Stadium Sennichimae (Land with leasehold interest)	1, Namba 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,711.63	11,700	8,091
20013	G-Bldg. Shinsaibashi 02	3-24, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	948.72	8,180	4,235
20014	Izumisano Shofudai (Land with leasehold interest)	1138-1, Shofudai 1-chome, Izumisano-shi, Osaka	Trust beneficial interest	44,009.52	2,620	2,657
20015	Round1 Stadium Sakai Chuo Kanjyo	241, Ishihara-cho 2-cho, Higashi-ku Sakai-shi, Osaka	Trust beneficial interest	17,521.46	2,520	1,556
20016	pivo Izumi Chuo	1-2, Ibukino 5-chome, Izumi-shi, Osaka, etc.	Trust beneficial interest	21,182.94	6,710	5,120
20017	KAMISHIN PLAZA	6-12, Osumi 1-chome, Higashiyodogawa-ku, Osaka-shi, Osaka	Trust beneficial interest	12,013.46	5,130	4,396
20018	Round1 Kyoto Kawaramachi	585, Uradaracho, Shijo-agaru yori Rokkasagaru made, Teramachi-dori, Nakagyō-ku, Kyoto-shi, Kyoto, etc.	Trust beneficial interest	8,821.66	3,910	2,734
20019	G-Bldg. Shinsaibashi 03	2-14, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	5,319.29	31,200	30,182
20020	Round1 Stadium Takatsuki	6-4, Zushi 3-chome, Takatsuki-shi, Osaka	Trust beneficial interest	19,767.64	2,990	1,909
20021	m-city Toyonaka	2-18, Hinode-cho, 2-chome, Toyonaka-shi, Osaka	Trust beneficial interest	33,301.93	6,540	5,128
20022	EDION Kyobashi (Land with leasehold interest)	53-1, Gamo 1-chome, Joto-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	4,307.16	5,970	5,756
20023	JMF-Bldg. Abeno 01	4-7, Abenosuji 1-chome, Abeno-ku, Osaka-shi, Osaka	Trust beneficial interest	4,757.35	5,240	4,553
20024	G-Bldg. Umeda 01	15-22, Chayamachi, Kita-ku, Osaka-shi, Osaka	Trust beneficial interest	3,529.51	10,000	9,719
20025	G-Bldg. Shinsaibashi 04	10-5, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,610.63	3,120	3,305
20026	JMF-Bldg. Kyoto Kawaramachi 01	235, Yamazakicho 2-chome, Sanjo-sagaru, Kawaramachi-dori, Nakagyō-ku, Kyoto-shi, Kyoto	Trust beneficial interest	2,407.32	2,420	2,163
20027	G-Bldg. Midosuji 01	10-25, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	2,446.00	9,200	10,591
20028	G-Bldg. Kobe Sannomiya 01	1-15 Kitagasa-dori 3-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	3,750.38	3,290	3,093
20029	Round1 Sannomiya Station	1-17 Onoe-dori 6-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	10,054.52	3,330	3,173
20030	G-Bldg. Midosuji 02	8-18 Shinsaibashisuji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	1,428.28	16,200	15,530
20031	Twin 21 (Note 5)	1-61 Shiromi 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	82,295.71	58,000	60,144
20032	JMF-Bldg. Kitahana 01 (Note 5)	6-7 Doshomachi 1-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	10,189.49	12,000	11,413
20033	JMF-Bldg. Osaka Fukushima 01 (Note 5)	15-26, Fukushima 7-chome, Fukushima-ku, Osaka-shi, Osaka	Trust beneficial interest	9,952.00	9,120	8,520
20034	JMF-Bldg. Higobashi 01 (Note 5)	5-16 Edozbori 1-chome, Nishi-ku, Osaka-shi, Osaka	Trust beneficial interest	4,655.57	4,530	4,301
20035	Konami Sports Club Kyobashi	8-17 Higashinoda-machi 1-chome, Miyakojima-ku, Osaka-shi, Osaka	Trust beneficial interest	9,586.26	3,080	3,390
20036	JMF-Bldg. Imabashi 01 (Note 5)	3-16 Imabashi 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	4,277.63	2,710	2,599
20037	JMF-Bldg. Nishi Honmachi 01 (Note 5)	6-1 Awaza 1-chome, Nishi-ku, Osaka-shi, Osaka	Trust beneficial interest	3,846.91	2,770	2,607

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
20038	G-Bldg. Shinsaibashi 05	8-5 Shinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	999.29	13,400	9,109
30001	AEON Yagoto	2-1, Ishizaka, Kojimachi-aza, Showa-ku, Nagoya-shi, Aichi	Trust beneficial interest	63,702.48	3,600	3,052
30002	mozo wonder city (Note 6)	40-1, Futakatacho, Nishi-ku, Nagoya-shi, Aichi, etc.	Trust beneficial interest	86,526.78	63,600	50,246
30003	G-Bldg. Nagoya Sakae 01	27-24, Sakae 3-chome, Naka-ku, Nagoya-shi, Aichi	Real property	794.02	1,340	1,915
30004	Valor Kachigawa (Land with leasehold interest)	1-1 Onocho 2-chome, Kasugai-shi, Aichi	Trust beneficial interest	20,509.10	3,245	3,205
90001	Nara Family (Note 6)	4-1, Saidaiji-higashimachi 2-chome, Nara-shi, Nara	Trust beneficial interest	82,927.88	37,900	33,539
90002	AEON MALL Sapporo Naebo	1-1, Higashinaebo 2jo 3-chome, Higashi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	74,625.52	9,270	5,998
90003	AEON Naha Shopping Center	10-2, Kanagusuku 5-chome, Naha-shi, Okinawa	Trust beneficial interest	79,090.48	10,800	9,272
90004	Oyama Yuen Harvest Walk (Note 5)	1475-52, Aza-kaido-nishi, Oaza-Kizawa, Oyama-shi, Tochigi, etc.	Trust beneficial interest	59,535.09	9,980	7,738
90005	AEON MALL Sapporo Hassamu	1-1, Hassamu 8jo 12-chome, Nishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	102,162.16	19,600	14,168
90006	MrMax Nagasaki	26-1, Iwami machi, Nagasaki-shi, Nagasaki, etc.	Trust beneficial interest	12,115.09	3,270	2,362
90007	Kaden sumairu kan YAMADA Fukuoka Shime Honten	2-1, Minamizato 5-chome, Shime-machi, Kasuya-gun, Fukuoka	Trust beneficial interest	(Note 7)	5,570	3,464
90008	Round1 Hiroshima	3-11, Tatemachi, Naka-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	9,890.63	4,160	2,727
90009	DFS T GALLERIA OKINAWA	1-1, Omoromachi 4-chome, Naha-shi, Okinawa	Trust beneficial interest	42,088.14	17,200	14,540
90010	G-Bldg. Sendai Ichibancho 01	5-12, Ichibancho 3-chome, Aoba-ku, Sendai-shi, Miyagi	Real property	2,387.17	4,360	4,432
90011	G-Bldg. Naha-shintoshin 01	5-33, Omoromachi 2-chome, Naha-shi, Okinawa	Trust beneficial interest	(Note 7)	6,750	5,501
90012	G-Bldg. Tenjin Nishi-dori 01 (Note 5)	8-22, Tenjin 2-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	2,667.42	4,720	4,960
90013	G-Bldg. Tenjin Nishi-dori 02	12-64, Daimyo 1-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	1,496.56	5,570	5,197
90014	JMF-Bldg. Sendai 01 (Note 5)	10-3 Chuo 4-chome, Aoba-ku, Sendai-shi, Miyagi	Trust beneficial interest	13,076.72	6,920	6,802
90015	Dormy Inn Hakata Gion (Note 5)	1-12 Reisen-machi, Hakata-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	5,554.91	4,440	4,410
90016	JMF-Residence Chihaya (Note 5)	4-25 Chihaya 5-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	10,290.99	1,860	1,715
Total				2,533,147.83	1,309,105	1,156,289

Note 1 JMF uses property number for investment properties. The same applies hereinafter.

Note 2 "Location" means the residence indication or the location indicated in the land registry book.

Note 3 Regardless of the share of co-ownership or quasi-co-ownership, "Leasable area" means the total area of the building or land with leasehold interest of each property leasable as stores, offices, etc. indicated in the lease agreement or the plan of such property and it does not include the leasable area of warehouses and land (flat parking lots).

Note 4 "Appraisal value at end of period" shows the value appraised or researched by the real estate appraiser (CBRE K.K., Daiwa Real Estate Appraisal Co., Ltd., Japan Real Estate Institute, Tanizawa Sōgō Appraisal Co., Ltd. and JLL Mori Valuation & Advisory K.K.) in accordance with the methods and standard of assets valuation as stipulated in the Articles of Incorporation of JMF as well as the regulations as stipulated by The Investment Trusts Association, Japan.

Note 5 "Leasable area" for a pass-through master leased property are presented on an end-tenant basis.

Note 6 "Leasable area" for the property which is leased partially in the form of a pass-through master lease is presented on an end-tenant basis.

Note 7 "Leasable area" of the property is not disclosed because the consent from the tenant has not been obtained.

Note 8 The names of these properties have changed as follows:

New name	Old name	Date of name changes
OMO3 Tokyo Akasaka	Hotel Vista Premio Tokyo	October 13, 2021

Operating results of retail properties, office buildings, residences, hotels and mixed-use properties for the six months ended August 31, 2021 and February 28, 2022 were as follows:

No.	Name of property	For the six months ended August 31, 2021				For the six months ended February 28, 2022			
		Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)
10001	Abiko Shopping Plaza	53	99.8	608	1.6	54	100.0	612	1.6
10002	G-Bldg. Minami Aoyama 02	4	100.0	95	0.3	3	90.9	82	0.2
10003	Ito-Yokado Yabashira	1	100.0	78	0.2	1	100.0	78	0.2
10004	G-Bldg. Daikanyama 01	1	100.0	39	0.1	1	100.0	38	0.1
10005	GYRE	15	100.0	596	1.6	15	100.0	609	1.6
10006	Ito-Yokado Tsunashima	1	100.0	168	0.4	1	100.0	168	0.4
10007	Bic Camera Tachikawa	2	100.0	627	1.7	2	100.0	628	1.7
10008	AEON Itabashi Shopping Center	1	100.0	705	1.9	1	100.0	693	1.8
10009	G-Bldg. Kita Aoyama 01	2	100.0	34	0.1	2	100.0	34	0.1
10010	AEON MALL Yamato (Note 3)	-	-	45	0.1	-	-	-	-
10011	SEIYU Hibiigaoka	1	100.0	249	0.7	1	100.0	249	0.7
10012	JMF-Bldg. Jiyugaoka 01	4	100.0	98	0.3	4	100.0	103	0.3
10013	Cheers Ginza	8	79.4	90	0.2	9	89.7	91	0.2
10014	Higashi-Totsuka Aurora City	5	100.0	1,259	3.3	5	100.0	1,260	3.3
10015	Ito-Yokado Yotsukaido (Note 4)	-	-	266	0.7	-	-	-	-
10016	G-Bldg. Jingumae 06	4	100.0	53	0.1	4	100.0	53	0.1
10017	G-Bldg. Jingumae 01	2	100.0	82	0.2	2	100.0	82	0.2
10018	G-Bldg. Jingumae 02	3	100.0	32	0.1	3	100.0	32	0.1
10019	G-Bldg. Minami Aoyama 01 (Note 5)	3	100.0	168	0.4	-	-	84	0.2
10020	AEON MALL Musashi Murayama	1	100.0	920	2.4	1	100.0	916	2.4
10021	La Porte Aoyama (Note 6)	24	100.0	245	0.6	24	100.0	272	0.7
10022	G-Bldg. Shinjuku 01 (Note 7)	1	100.0	169	0.4	-	-	89	0.2
10023	JMF-Bldg. Jingumae 01	8	100.0	82	0.2	7	86.3	77	0.2
10024	G-Bldg. Minami-Ikebukuro 01 (Note 6)	8	100.0	247	0.7	8	100.0	249	0.7
10025	Makuhari Plaza	5	100.0	211	0.6	5	100.0	210	0.6
10026	Urban Terrace Jingumae	2	100.0	103	0.3	2	100.0	104	0.3
10027	Round1 Machida	1	100.0	90	0.2	1	100.0	90	0.2
10028	Round1 Stadium Itabashi	1	100.0	95	0.3	1	100.0	95	0.3
10029	Arkangel Daikanyama (Land with leasehold interest)	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10030	G-Bldg. Omotesando 01	1	100.0	131	0.3	1	100.0	135	0.4
10031	Round1 Yokohama Station West	1	100.0	114	0.3	1	100.0	114	0.3
10032	G-Bldg. Sangenjaya 01	3	100.0	171	0.5	3	100.0	174	0.5
10033	G-Bldg. Ginza 01 (Note 9)	6	100.0	199	0.5	6	100.0	169	0.4
10034	Summit Store Nakano Minamidai	1	100.0	84	0.2	1	100.0	84	0.2
10035	Colline Bajikouen	9	90.2	125	0.3	9	90.2	124	0.3

No.	Name of property	For the six months ended August 31, 2021				For the six months ended February 28, 2022			
		Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)
10036	KAWASAKI Le FRONT	66	99.1	1,820	4.8	66	100.0	1,845	4.9
10037	JMF-Bldg. Shibuya 01	2	100.0	74	0.2	2	100.0	81	0.2
10038	G-Bldg. Omotesando 02	6	100.0	382	1.0	5	91.9	383	1.0
10039	G-Bldg. Kichijoji 01	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10040	CUTE CUBE HARAJUKU	10	100.0	187	0.5	10	100.0	195	0.5
10041	G-Bldg. Ueno 01	1	100.0	76	0.2	1	100.0	76	0.2
10042	JMF-Bldg. Takadanobaba 01	14	100.0	163	0.4	14	100.0	164	0.4
10043	G-Bldg. Akihabara 01	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10044	G-Bldg. Akihabara 02	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10045	G-Bldg. Kichijoji 02	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10046	JMF-Bldg. Ginza Chuo-Dori 01	10	100.0	199	0.5	10	100.0	209	0.6
10047	MARINE & WALK YOKOHAMA	26	100.0	379	1.0	26	100.0	396	1.0
10048	G-Bldg. Jingumae 07	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10049	G-Bldg. Minami Aoyama 03 (Note 6)	6	87.3	158	0.4	6	100.0	153	0.4
10050	JMF-Bldg. Jingumae 02	3	100.0	53	0.1	2	81.0	48	0.1
10051	Round 1 Stadium Kawasaki Daishi	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10052	m-city Kashiwa	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10053	G-Bldg. Jingumae 09	6	90.2	106	0.3	4	58.0	101	0.3
10054	Machinoma Omori	35	100.0	365	1.0	36	100.0	366	1.0
10055	JMF-Bldg. Daikanyama 01	6	61.3	47	0.1	7	81.3	61	0.2
10056	AEON MALL Tsudanuma	1	100.0	726	1.9	1	100.0	726	1.9
10057	JMF-Bldg. Yokohama Bashamichi 01 (Note 6)	7	100.0	688	1.8	7	100.0	688	1.8
10058	JMF-Bldg. Kawasaki 01 (Note 6)	11	95.6	729	1.9	11	95.6	732	1.9
10059	JMF-Bldg. Shibuya 02 (Note 6)	3	89.9	345	0.9	3	89.9	343	0.9
10060	JMF-Bldg. Shibuya 03 (Note 6)	8	61.4	289	0.8	9	71.8	240	0.6
10061	JMF-Bldg. Toyokocho 01 (Note 6)	10	100.0	344	0.9	10	100.0	340	0.9
10062	OMO3 Tokyo Akasaka (Note 6)	2	100.0	(Note 8)	(Note 8)	2	100.0	(Note 8)	(Note 8)
10063	JMF-Bldg. Nihombashi Hamacho 01 (Note 6)	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
10064	JMF-Bldg. Toyokocho 02 (Note 6)	15	74.3	335	0.9	14	74.6	299	0.8
10065	JMF-Bldg. Sasazuka 01 (Note 6)	12	100.0	283	0.7	11	96.1	284	0.8
10066	JMF-Bldg. Ueno 01 (Note 6)	7	100.0	(Note 8)	(Note 8)	7	100.0	(Note 8)	(Note 8)
10067	JMF-Bldg. Yokohama 01 (Note 6)	47	94.5	366	1.0	49	94.5	365	1.0
10068	JMF-Bldg. Akasaka 01 (Note 6)	10	88.7	99	0.3	10	88.7	99	0.3
10069	JMF-Bldg. Kanda 01 (Note 6)	8	100.0	114	0.3	8	100.0	116	0.3
10070	JMF-Bldg. Edogawabashi 01 (Note 6)	4	86.1	43	0.1	4	86.1	91	0.2
10071	JMF-Bldg. Higashi Nihombashi 01 (Note 6)	9	100.0	93	0.2	9	100.0	92	0.2

No.	Name of property	For the six months ended August 31, 2021				For the six months ended February 28, 2022			
		Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)
10072	JMF-Bldg. Ichigaya 01 (Notes 10 and 11)	27	81.3	298	0.8	26	80.8	359	1.0
10073	JMF-Bldg. Hiroo 01 (Notes 11 and 12)	-	-	-	-	34	96.8	120	0.3
10074	JMF-Bldg. Funabashi 01 (Note 13)	-	-	-	-	6	88.8	56	0.1
10075	JMF-Bldg. Akasaka 02 (Notes 6 and 14)	-	-	-	-	5	74.5	336	0.9
20001	AEON Takatsuki (Note 15)	-	-	18	0.0	-	-	-	-
20002	Kyoto Family	62	98.6	542	1.4	58	91.3	567	1.5
20003	Kawaramachi OPA	1	100.0	335	0.9	1	100.0	335	0.9
20004	AEON MALL Tsurumi Ryokuchi	1	100.0	891	2.3	1	100.0	891	2.4
20005	AEON MALL Itami	1	100.0	585	1.5	1	100.0	585	1.5
20006	Ario Otori	1	100.0	549	1.4	1	100.0	549	1.5
20007	AEON MALL Kobe Kita	1	100.0	410	1.1	1	100.0	401	1.1
20008	LIFE Kishibe (Land with leasehold interest)	1	100.0	68	0.2	1	100.0	68	0.2
20009	LIFE Shimodera (Land with leasehold interest)	1	100.0	56	0.2	1	100.0	56	0.2
20010	LIFE Taiheiji (Land with leasehold interest)	1	100.0	48	0.1	1	100.0	48	0.1
20011	G-Bldg. Shinsaibashi 01	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
20012	Round 1 Stadium Sennichimae (Land with leasehold interest)	1	100.0	240	0.6	1	100.0	240	0.6
20013	G-Bldg. Shinsaibashi 02	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
20014	Izumisano Shofudai (Land with leasehold interest)	2	100.0	(Note 8)	(Note 8)	2	100.0	(Note 8)	(Note 8)
20015	Round 1 Stadium Sakai Chuo Kanjyo	1	100.0	82	0.2	1	100.0	82	0.2
20016	pivo Izumi Chuo	17	100.0	(Note 8)	(Note 8)	17	100.0	(Note 8)	(Note 8)
20017	KAMISHIN PLAZA	39	100.0	289	0.8	38	98.8	289	0.8
20018	Round 1 Kyoto Kawaramachi	1	100.0	104	0.3	1	100.0	104	0.3
20019	G-Bldg. Shinsaibashi 03	4	100.0	(Note 8)	(Note 8)	2	4.6	(Note 8)	(Note 8)
20020	Round 1 Stadium Takatsuki	1	100.0	91	0.2	1	100.0	91	0.2
20021	m-city Toyonaka	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
20022	EDION Kyobashi (Land with leasehold interest)	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
20023	JMF-Bldg. Abeno 01	10	100.0	157	0.4	10	100.0	155	0.4
20024	G-Bldg. Umeda 01	12	100.0	208	0.5	12	100.0	220	0.6
20025	G-Bldg. Shinsaibashi 04	5	100.0	81	0.2	5	100.0	82	0.2
20026	JMF-Bldg. Kyoto Kawaramachi 01	4	100.0	57	0.2	4	100.0	64	0.2
20027	G-Bldg. Midosuji 01	1	24.4	(Note 8)	(Note 8)	1	24.4	(Note 8)	(Note 8)
20028	G-Bldg. Kobe Sannomiya 01	5	100.0	(Note 8)	(Note 8)	5	100.0	(Note 8)	(Note 8)
20029	Round 1 Sannomiya Station	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
20030	G-Bldg. Midosuji 02	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
20031	Twin 21 (Note 6)	106	96.8	2,354	6.2	105	96.9	2,349	6.2
20032	JMF-Bldg. Kitahama 01 (Note 6)	10	100.0	339	0.9	10	100.0	337	0.9

No.	Name of property	For the six months ended August 31, 2021				For the six months ended February 28, 2022			
		Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)
20033	JMF-Bldg. Osaka Fukushima 01 (Note 6)	25	90.8	250	0.7	25	90.8	253	0.7
20034	JMF-Bldg. Higobashi 01 (Note 6)	12	100.0	135	0.4	12	100.0	135	0.4
20035	Konami Sports Club Kyobashi	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
20036	JMF-Bldg. Imabashi 01 (Note 6)	19	93.9	103	0.3	18	91.4	101	0.3
20037	JMF-Bldg. Nishi Hommachi 01 (Note 6)	18	91.5	123	0.3	18	91.5	92	0.2
20038	G-Bldg. Shinsaibashi 05 (Note 16)	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
30001	AEON Yagoto	1	100.0	127	0.3	1	100.0	124	0.3
30002	mozo wonder city (Note 11)	217	99.8	3,016	7.9	174	92.0	3,126	8.3
30003	G-Bldg. Nagoya Sakae 01	1	24.8	(Note 8)	(Note 8)	1	24.8	(Note 8)	(Note 8)
30004	Valor Kachigawa (Land with leasehold interest) (Note 17)	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
90001	Nara Family (Note 11)	109	99.1	1,744	4.6	108	99.0	1,794	4.7
90002	AEON MALL Sapporo Naebo	1	100.0	375	1.0	1	100.0	367	1.0
90003	AEON Naha Shopping Center	1	100.0	377	1.0	1	100.0	369	1.0
90004	Oyama Yuen Harvest Walk (Note 6)	68	99.4	768	2.0	69	99.7	779	2.1
90005	AEON MALL Sapporo Hassamu	1	100.0	583	1.5	1	100.0	570	1.5
90006	MrMax Nagasaki	2	100.0	(Note 8)	(Note 8)	2	100.0	(Note 8)	(Note 8)
90007	Kaden sumairu kan YAMADA Fukuoka Shime Honten	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
90008	Round1 Hiroshima	1	100.0	119	0.3	1	100.0	119	0.3
90009	DFS T GALLERIA OKINAWA	1	100.0	518	1.4	1	100.0	518	1.4
90010	G-Bldg. Sendai Ichibancho 01	1	100.0	96	0.3	1	100.0	86	0.2
90011	G-Bldg. Naha-shintoshin 01	2	100.0	(Note 8)	(Note 8)	2	100.0	(Note 8)	(Note 8)
90012	G-Bldg. Tenjin Nishi-dori 01 (Note 6)	7	88.9	108	0.3	7	88.9	111	0.3
90013	G-Bldg. Tenjin Nishi-dori 02	1	100.0	(Note 8)	(Note 8)	1	100.0	(Note 8)	(Note 8)
90014	JMF-Bldg. Sendai 01 (Note 6)	83	95.9	291	0.8	81	95.4	295	0.8
90015	Dormy Inn Hakata Gion (Note 6)	2	100.0	(Note 8)	(Note 8)	2	100.0	(Note 8)	(Note 8)
90016	JMF-Residence Chihaya (Notes 6 and 18)	-	-	-	-	146	98.6	9	0.0
	Total	1,435	99.1	38,022	100.0	1,566	98.5	37,812	100.0

Note 1 "Number of tenants" is based upon the numbers of the lease agreements of the building or land with leasehold interest of each such property used as stores, offices, etc.

Note 2 "Occupancy ratio" (percentage of leased area against the leasable area at the end of accounting period) and "Ratio of rent revenue to total rent revenues" are calculated by rounding to the nearest first decimal place.

Note 3 JMF sold 50% quasi-co-ownership interest of the property on December 21, 2020 and remaining 50% on March 30, 2021.

Note 4 JMF sold the property on August 12, 2021.

Note 5 JMF sold the property on December 1, 2021.

Note 6 "Number of tenants" and "Occupancy ratio" for a pass-through master leased property are presented on an end-tenant basis.

Note 7 JMF sold the property on December 1, 2021.

Note 8 Rent revenue of the property is not disclosed because the consent from the tenant has not been obtained.

Note 9 JMF sold 30% quasi-co-ownership interest of the property on December 1, 2021 and 30% on March 1, 2022.

Note 10 JMF acquired the property on April 30, 2021.

Note 11 "Number of tenants" and "Occupancy ratio" for the properties which are leased partially in the form of a pass-through master lease are presented on an end-tenant basis.

Note 12 JMF acquired the property on October 29, 2021.

Note 13 JMF acquired the property on November 26, 2021.

Note 14 JMF acquired the property on December 1, 2021.

Note 15 JMF sold the property on March 10, 2021.

Note 16 JMF acquired the property on April 30, 2021.

Note 17 JMF sold 50% quasi-co-ownership interest of the property on January 31, 2022.

Note 18 JMF acquired 50% quasi-co-ownership interest of the property on January 31, 2022 and remaining 50% on March 31, 2022.

(3) Capital expenditures for property

1. Schedule of capital expenditures

The significant plan for capital expenditures on property maintenance as of February 28, 2022 was as below. The amounts of estimated cost shown in the below table are including expenses which will be charged to income.

(Millions of yen)

Name of property	Location	Purpose	Scheduled term for construction or maintenance	Estimated cost		
				Total	Advanced payment	
					Payment for the six months ended February 28, 2022	Total of advanced payment
For the six months ending August 31, 2022 (the 41st fiscal period from March 1, 2022 to August 31, 2022)						
mozo wonder city	Nishi-ku, Nagoya-shi, Aichi	Environment renovation	February, 2022 to August, 2022	430	30	41
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of hoisting equipment for elevator	April, 2022 to August, 2022	125	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system	March, 2022 to August, 2022	118	-	-
JMF-Bldg. Toyochō 01	Koto-ku, Tokyo	Repair of outer wall	March, 2022 to July, 2022	104	-	-
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of fire extinguisher pipe equipment at parking	March, 2022 to August, 2022	92	-	-
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of air conditioning system	April, 2022 to June, 2022	91	-	-
G-Bldg. Tenjin Nishi-dori 01	Chuo-ku, Fukuoka-shi, Fukuoka	Renewal of outer wall	January, 2022 to August, 2022	89	5	5
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	April, 2022 to August, 2022	85	-	-
AEON MALL Sapporo Hassamu	Nishi-ku, Sapporo-shi, Hokkaido	Renewal of air conditioning system	April, 2022 to July, 2022	71	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of central monitoring equipment	April, 2022 to August, 2022	64	-	-
Kawaramachi OPA	Nakagyo-ku, Kyoto-shi, Kyoto	Repair of rooftop and outer wall	April, 2022 to June, 2022	63	-	-
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Renewal of escalator drive at main building	July, 2022	62	-	-
KAMISHIN PLAZA	Higashiyodogawa-ku, Osaka-shi, Osaka	Construction for new tenants at B1 floor	May, 2022 to July, 2022	61	1	1
G-Bldg. Midosuji 01	Chuo-ku, Osaka-shi, Osaka	Conversion construction to office	February, 2022 to August, 2022	60	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of disaster prevention equipment	May, 2022 to August, 2022	58	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of AHU	September, 2021 to April, 2022	58	-	-
JMF-Bldg. Nihombashi Hamacho 01	Chuo-ku, Tokyo	Renewal of air conditioning system	May, 2022 to June, 2022	54	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of FCU	May, 2022 to August, 2022	50	-	-

(Millions of yen)

Name of property	Location	Purpose	Scheduled term for construction or maintenance	Estimated cost		
				Total	Advanced payment	
					Payment for the six months ended February 28, 2022	Total of advanced payment
For the six months ending February 28, 2023 (the 42nd fiscal period from September 1, 2022 to February 28, 2023)						
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of disaster prevention monitoring equipment	July, 2022 to January, 2023	255	-	-
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Renewal of turbo refrigerator at main building	December, 2022 to January, 2023	234	-	-
JMF-Bldg. Toyochō 02	Koto-ku, Tokyo	Conversion construction to office	April, 2022 to October, 2022	161	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Construction for tenant leasing at M38F east area	September, 2022 to February, 2023	153	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of PAC air conditioner	September, 2022 to January, 2023	122	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of hoisting equipment for elevator	September, 2022 to February, 2023	116	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Painting of outer wall	October, 2022 to January, 2023	112	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of security system	July, 2022 to February, 2023	105	-	-
MrMax Nagasaki	Nagasaki-shi, Nagasaki	Waterproofing construction of rooftop at MrMax-building	November, 2022 to January, 2023	99	-	-
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of fire extinguisher pipe equipment at parking	May, 2022 to September, 2022	92	-	-
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of package air conditioner	November, 2022 to January, 2023	91	-	-
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Repair of outer wall	October, 2022 to February, 2023	91	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Repair of air conditioning system at circular hall	May, 2022 to September, 2022	91	-	-
JMF-Bldg. Toyochō 02	Koto-ku, Tokyo	Renewal of drain	August, 2022 to February, 2023	90	-	-
JMF-Residence Chihaya	Higashi-ku, Fukuoka-shi, Fukuoka	Repair of outer wall	June, 2022 to February, 2023	88	-	-
JMF-Bldg. Ichigaya 01	Chiyoda-ku, Tokyo	Renewal of air conditioning system	October, 2022 to February, 2023	81	-	-
JMF-Bldg. Sendai 01	Aoba-ku, Sendai-shi, Miyagi	Renewal of rest room and pantry	September, 2022 to February, 2023	81	-	-
AEON MALL Sapporo Hassamu	Nishi-ku, Sapporo-shi, Hokkaido	Repair of air conditioning system	August, 2022 to November, 2022	71	-	-
JMF-Bldg. Toyochō 01	Koto-ku, Tokyo	Changing parts of machine parking	September, 2022 to February, 2023	70	-	-
G-Bldg. Shinsaibashi 03	Chuo-ku, Osaka-shi, Osaka	Interior construction at 1st floor of A-Building	August, 2022 to December, 2022	69	-	-
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of automatic fire information alarm facilities	April, 2022 to September, 2022	68	-	-
JMF-Bldg. Nihombashi Hamacho 01	Chuo-ku, Tokyo	Renewal of air conditioning system at interior side	September, 2022 to January, 2023	58	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of elevator (Unit S5)	May, 2022 to February, 2023	57	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of elevator (Unit D1)	May, 2022 to February, 2023	56	-	-
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Renewal of escalator drive at main building	January, 2023	56	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of elevator (Unit D2)	May, 2022 to February, 2023	55	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of water receiving tank at P-tower	September, 2022 to February, 2023	53	-	-
Higashi-Totsuka Aurora City	Totsuka-ku, Yokohama-shi, Kanagawa	Renewal of P-MAC at Seibu-building	November, 2022 to January, 2023	51	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of FCU	October, 2022 to January, 2023	50	-	-
Kawaramachi OPA	Nakagyo-ku, Kyoto-shi, Kyoto	Repair of rooftop and outer wall	October, 2022 to December, 2022	50	-	-

2. Capital expenditures for the six months ended February 28, 2022

Maintenance expenditures on property for the six months ended February 28, 2022 were totaling to ¥3,474 million consisting of ¥2,901 million of capital expenditures stated as below and ¥572 million of repair and maintenance expenses charged to income.

(Millions of yen)

Name of property	Location	Purpose	Term for construction or maintenance	Capital expenditures
AEON MALL Tsudanuma	Narashino-shi, Chiba	Installation of fire shutter equipment	October, 2021 to February, 2022	261
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of hoisting equipment for elevator	September, 2021 to February, 2022	101
mozo wonder city	Nishi-ku, Nagoya-shi, Aichi	Installation of digital signages	September, 2021	87
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of central monitoring equipment	October, 2021 to February, 2022	86
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of AHU	April, 2021 to December, 2021	69
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system	September, 2021 to February, 2022	67
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	September, 2021 to February, 2022	64
GYRE	Shibuya-ku, Tokyo	Renewal construction of outer wall	September, 2021 to February, 2022	61
Abiko Shopping Plaza	Abiko-shi, Chiba	Refresh construction	October, 2021 to December, 2021	58
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Exchange of storage battery charger	January, 2022 to February, 2022	50
Other	-	-	-	1,993
Total				2,901